B1 (Official Form 1) (4/10)

UNITED STATES BANKRUPTCY COURT
Eastern District of Tennessee

VOLUNTARY PETITION

Name of Debtor (if individual, enter Last, First, Middle): Mountain River Guides, Inc.	Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): USA Raft	All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all): 35-2431799	Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all):
Street Address of Debtor (No. and Street, City, and State): 2 Jones Branch Road Erwin, Tennessee ZIP CODE 37650	Street Address of Joint Debtor (No. and Street, City, and State): ZIP CODE
County of Residence or of the Principal Place of Business: Unicoi County	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): ZIP CODE 37650	Mailing Address of Joint Debtor (if different from street address): ZIP CODE
Location of Principal Assets of Business Debtor (if different from street address above): ZIP CODE	

Type of Debtor (Form of Organization) (Check **one** box.)

- ☐ Individual (includes Joint Debtors) *See Exhibit D on page 2 of this form.*
- ☑ Corporation (includes LLC and LLP)
- ☐ Partnership
- ☐ Other (If debtor is not one of the above entities, check this box and state type of entity below.)

Nature of Business (Check **one** box.)

- ☐ Health Care Business
- ☐ Single Asset Real Estate as defined in 11 U.S.C. § 101(51B)
- ☐ Railroad
- ☐ Stockbroker
- ☐ Commodity Broker
- ☐ Clearing Bank
- ☑ Other

Tax-Exempt Entity (Check box, if applicable.)

- ☐ Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).

Chapter of Bankruptcy Code Under Which the Petition is Filed (Check **one** box.)

- ☐ Chapter 7
- ☐ Chapter 9
- ☑ Chapter 11
- ☐ Chapter 12
- ☐ Chapter 13
- ☐ Chapter 15 Petition for Recognition of a Foreign Main Proceeding
- ☐ Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding

Nature of Debts (Check one box.)

- ☐ Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."
- ☑ Debts are primarily business debts.

Filing Fee (Check one box.)

- ☑ Full Filing Fee attached.
- ☐ Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.
- ☐ Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.

Chapter 11 Debtors

Check one box:
- ☑ Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).
- ☐ Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).

Check if:
- ☑ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than $2,343,300 (*amount subject to adjustment on 4/01/13 and every three years thereafter*).

Check all applicable boxes:
- ☐ 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).

Statistical/Administrative Information

- ☑ Debtor estimates that funds will be available for distribution to unsecured creditors.
- ☐ Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

THIS SPACE IS FOR COURT USE ONLY

Estimated Number of Creditors

☑ 1-49	☐ 50-99	☐ 100-199	☐ 200-999	☐ 1,000-5,000	☐ 5,001-10,000	☐ 10,001-25,000	☐ 25,001-50,000	☐ 50,001-100,000	☐ Over 100,000

Estimated Assets

☐ $0 to $50,000	☐ $50,001 to $100,000	☑ $100,001 to $500,000	☐ $500,001 to $1 million	☐ $1,000,001 to $10 million	☐ $10,000,001 to $50 million	☐ $50,000,001 to $100 million	☐ $100,000,001 to $500 million	☐ $500,000,001 to $1 billion	☐ More than $1 billion

Estimated Liabilities

☐ $0 to $50,000	☐ $50,001 to $100,000	☑ $100,001 to $500,000	☐ $500,001 to $1 million	☐ $1,000,001 to $10 million	☐ $10,000,001 to $50 million	☐ $50,000,001 to $100 million	☐ $100,000,001 to $500 million	☐ $500,000,001 to $1 billion	☐ More than $1 billion

Voluntary Petition *(This page must be completed and filed in every case.)*	Name of Debtor(s): Mountain River Guides, Inc.	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)		
Location Where Filed:	Case Number:	Date Filed:
Location Where Filed:	Case Number:	Date Filed:
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet.)		
Name of Debtor:	Case Number:	Date Filed:
District: Eastern District of Tennessee	Relationship:	Judge:

Exhibit A

(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)

☐ Exhibit A is attached and made a part of this petition.

Exhibit B

(To be completed if debtor is an individual whose debts are primarily consumer debts.)

I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b).

X _____
Signature of Attorney for Debtor(s) (Date)

Exhibit C

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

☐ Yes, and Exhibit C is attached and made a part of this petition.

☑ No.

Exhibit D

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

☐ Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

☐ Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.

Information Regarding the Debtor - Venue
(Check any applicable box.)

☑ Debtor has been domiciled or has had a residence, 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.

☑ There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

☐ Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

Certification by a Debtor Who Resides as a Tenant of Residential Property
(Check all applicable boxes.)

☐ Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

_____
(Name of landlord that obtained judgment)

_____
(Address of landlord)

☐ Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and

☐ Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.

☐ Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

Voluntary Petition
(This page must be completed and filed in every case.)

Name of Debtor(s): Mountain River Guides, Inc.

Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.
[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
Signature of Debtor

X _____
Signature of Joint Debtor

_____
Telephone Number (if not represented by attorney)

_____
Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only **one** box.)

☐ I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

☐ Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
(Signature of Foreign Representative)

_____
(Printed Name of Foreign Representative)

_____
Date

Signature of Attorney*

X Mark S. Dessauer
Signature of Attorney for Debtor(s)

Mark S. Dessauer
Printed Name of Attorney for Debtor(s)

HUNTER, SMITH & DAVIS, LLP
Firm Name

P.O. Box 3740, 1212 N. Eastman Rd.
Kingsport, TN 37664
Address

(423) 378-8840
Telephone Number

09/02/2015
Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

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

X Matthew P. Moses
Signature of Authorized Individual

Matthew P. Moses
Printed Name of Authorized Individual

President
Title of Authorized Individual

09/02/2015
Date

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

_____
Printed Name and title, if any, of Bankruptcy Petition Preparer

_____
Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

_____
Address

X _____

_____
Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

ATTACHMENT 1

Debtor's Statement of Cash Flow
(January 1, 2015 – September 2, 2015)

9:21 AM
09/02/15

USA Raft
Statement of Cash Flows
January 1 through September 2, 2015

	Jan 1 - Sep 2, 15
OPERATING ACTIVITIES	
Net Income	138,462.54
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-186.00
Inventory Asset	-800.00
Accounts Payable	9,616.93
Loan from Imre	-78,310.00
Net cash provided by Operating Activities	68,783.47
INVESTING ACTIVITIES	
Tiny House	-538.86
Furniture and Equipment	-100.00
Net cash provided by Investing Activities	-638.86
FINANCING ACTIVITIES	
Business Loan	-7,000.00
Opening Balance Equity:OBE 2015	-95.00
Shareholder Distributions:D Calhoun	-3,100.00
Net cash provided by Financing Activities	-10,195.00
Net cash increase for period	57,949.61
Cash at beginning of period	-2,301.71
Cash at end of period	55,647.90

ATTACHMENT 2

Debtor's Balance Sheet as of September 2, 2015

9:20 AM
09/02/15
Accrual Basis

USA Raft
Balance Sheet
As of September 2, 2015

	Sep 2, 15
ASSETS	
Current Assets	
Checking/Savings	
Mountain Commerce Checking	5,127.57
Savings at Mountain Commerce B	50,464.22
First Citizens Checking	56.11
Total Checking/Savings	55,647.90
Accounts Receivable	
Accounts Receivable	6,031.50
Total Accounts Receivable	6,031.50
Other Current Assets	
Inventory Asset	6,670.00
Total Other Current Assets	6,670.00
Total Current Assets	68,349.40
Fixed Assets	
Tiny House	15,045.64
Computers & Equipment	1,541.48
Auto Asset	
1991 Thomas Bus	3,000.00
White Van	2,750.00
1997 Ford Bus	3,707.00
Small Bus	1,500.00
1988 Thomas Bus	2,500.00
94 Dodge Van	1,382.00
Total Auto Asset	14,839.00
Accumulated Depreciation	-187,346.00
Furniture and Equipment	
Misc	12,561.00
Kayaks 13	29,600.00
Rafts 13	189,024.52
SUP Board 14	1,758.93
Raft Purchase	2,000.00
Furniture and Equipment - Other	1,300.00
Total Furniture and Equipment	236,244.45
Total Fixed Assets	80,324.57
Other Assets	
Accumulated Amortization	-58,005.00
Intangible Assets	290,024.00
Other Assets	1,050.00
Total Other Assets	233,069.00
TOTAL ASSETS	**381,742.97**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	32,973.40
Total Accounts Payable	32,973.40
Credit Cards	
Credit Card Payable	10,249.00
Total Credit Cards	10,249.00
Other Current Liabilities	
Loans From Shareholder	5,992.00

9:20 AM
09/02/15
Accrual Basis

USA Raft
Balance Sheet
As of September 2, 2015

	Sep 2, 15
Notes Payable ST	10,000.00
Loan from Imre	-78,310.00
Total Other Current Liabilities	-62,408.00
Total Current Liabilities	-19,185.60
Long Term Liabilities	
Business Loan	243,216.80
Notes Payable LT	43,750.00
Total Long Term Liabilities	286,966.80
Total Liabilities	267,781.20
Equity	
Capital Stock	10,000.00
Opening Balance Equity	
OBE 2015	-95.00
Total Opening Balance Equity	-95.00
Retained Earnings	-24,540.45
Shareholder Distributions	
D Calhoun	-9,865.32
Total Shareholder Distributions	-9,865.32
Net Income	138,462.54
Total Equity	113,961.77
TOTAL LIABILITIES & EQUITY	381,742.97

9:37 AM
09/02/15
Accrual Basis

USA Raft
Profit & Loss
January 1 through September 2, 2015

	Jan 1 - Sep 2, 15
Ordinary Income/Expense	
Income	
French Broad Retail	8,669.83
Nolichucky Retail	31,831.13
Reservation Income	
WX Income	626.59
Cave Income	22,306.10
Crockett Cabin Income	14,694.76
F1 Income	15,006.06
Food Income	3,041.27
FX Income	77,947.92
FXL Income	28,625.80
K1 Income	156,703.55
KL Income	13,198.31
KLL Income	2,369.78
KO Income	8,159.25
KX Income	95,234.49
Package Income	454.32
Shuttle	1,435.74
Take Out Fee	3,899.50
Reservation Income - Other	13,835.60
Total Reservation Income	457,539.04
Uncategorized Income	2,792.74
Total Income	500,832.74
Cost of Goods Sold	
Concession Cost	14,448.84
Merchant Account Fees	14,024.41
Total COGS	28,473.25
Gross Profit	472,359.49
Expense	
Miscellaneous	784.48
Business Expense	231.69
Take Out Fee	-1,174.00
Cash Over/Under	-3.43
Bank Fees	2,703.51
Bus Repair	339.63
Business Dinner	1,658.59
Business Trip	1,412.56
Charitable Contributions	46.00
Computer & Electronics	418.87
Crockett Cabin	
Crockett Cabin Meal Cost	4,374.63
Crockett Cabin - Other	274.42
Total Crockett Cabin	4,649.05
Deborah Calhoun Expense	11,175.04
Google	236.34
Grounds Maintenance	15.00
Guide Food	542.21
Insurance	
Excess	1,652.08
General Liability	21,276.72
Medical	784.00
Property	2,984.53
Vehicle	4,522.34
Insurance - Other	1,325.10

ATTACHMENT 3

Debtor's Profit and Loss Statement
(January 1, 2015 - September 2, 2015)

9:37 AM
09/02/15
Accrual Basis

USA Raft
Profit & Loss
January 1 through September 2, 2015

	Jan 1 - Sep 2, 15	
Total Insurance		32,544.77
KO Expense		
KO Camping Gear	94.98	
KO Food Costs	505.98	
Total KO Expense		600.96
Loan Interest		3,000.00
Maintenance Supplies		1,374.47
Manager Fuel		2,643.72
Marketing		1,666.63
Nolichucky Trip Costs		
K1 Guide Pay	-75.00	
Total Nolichucky Trip Costs		-75.00
Office Supplies		1,640.96
Outdoor Gear		1,422.08
Outpost Repairs		762.26
Owner/Manager		313.13
Payroll Expense'		
Admin Fee	2,269.63	
Fed. Unemployment Tax	747.93	
Medicare Tax	1,628.03	
Social Security Tax	6,898.56	
State Unemployment Tax	3,564.46	
Wages		
Admin	10,241.56	
Drivers	5,463.75	
Guide		
WX	246.00	
Bump	120.00	
CX	3,620.00	
F1	1,240.00	
FX	10,845.00	
FXL	5,103.00	
K1	28,346.00	
KL	2,062.00	
KLL	792.00	
KO	1,785.00	
KX	12,112.00	
Merc	973.00	
Photo Boater	2,636.25	
Tip	3,190.99	
Total Guide	73,071.24	
Operations	9,896.14	
Reservations	11,820.08	
Store	10,280.14	
Total Wages	120,772.91	
Worker's Comp	11,534.04	
Payroll Expense' - Other	14,597.48	
Total Payroll Expense'		162,013.04
Phone/Internet/Fax		
Cell Phone	2,787.15	
Phone/Internet/Fax - Other	4,659.63	
Total Phone/Internet/Fax		7,446.78
Photo Expense		85.58
Postage		337.30

9:37 AM
09/02/15
Accrual Basis

USA Raft
Profit & Loss
January 1 through September 2, 2015

	Jan 1 - Sep 2, 15	
Professional Fees		3,386.00
Raft Repair		5,569.16
Reconciliation Discrepancies		9.90
refund		452.36
Reservations Expense		3,397.52
River Fees		9,198.00
River Supplies		1,110.23
Sales & Use Tax		7,079.50
Shuttle Pay		60.00
Staff Meeting		714.24
Taxes-NC		2,595.25
Taxes - TN		3,878.00
TN Tax		5,149.86
Travel		289.99
Trip Advisor Bonus		200.00
Trip Food		13,831.69
Trip Fuel		8,787.19
Uncategorized Expenses		684.10
USDA Forest Service		10,048.40
Utilities		5,937.87
Vehicle license/registration		372.66
Vehicle Repair/Maintenance		5,068.62
Website		4,650.00
Worley's Cave Trip Costs		
Cave Fees	2,608.00	
Cave Supplies	141.17	
Worley's Cave Trip Costs - Other	122.53	
Total Worley's Cave Trip Costs		2,871.70
Total Expense		334,154.46
Net Ordinary Income		138,205.03
Other Income/Expense		
Other Income		
Interest Income		57.51
Proceeds from Sale of Assets		200.00
Total Other Income		257.51
Net Other Income		257.51
Net Income		138,462.54

ATTACHMENT 4

Debtor's 2014 Tax Return
Including Federal Income Tax Return

CD-401S (51)

S Corporation Tax Return 2014

North Carolina Department of Revenue

For calendar year 2014, or other tax year beginning 14 and ending

DOR Use Only

MOUNTAIN RIVER GUIDES, INC
2 JONES BRANCH RD
ERWIN TN 37650

Federal Employer ID Number
352431799

N.C. Secretary of State ID Number
1234591

NAICS Code
713900

- [ ] Initial Return
- [ ] Final Return
- [ ] Short Year Return
- [ ] Amended Return
- [X] NC-478
- [X] CD-479
- [ ] Fed Schedule M-3 is attached
- [ ] Limited Liability Company
- [ ] Has Escheatable Property

Qualified Subchapter S Subsidiary [ ] Yes [X] No

MOUN 2 JO 37650 352431799 1234591 713900 IR N FR N

SR N AR N 478 N 479 Y M3 N LLC N EP N QSSS N

MOUNTAIN RIVER GUIDES INC

2 JONES BRANCH RD ERWIN TN 37650

GR	575526	07	0	16	40760	24C	0
TA	320823	08	35	17	0	24D	0
01	359	09	0	19	0	24E	0
HCE	N	10	80084	20	0	26	25
02	0	11	0	21	0	27	0
03	0	13	0	22	25	31A	0
05	35	14	80084	24A	0	31B	0
06	0	15	0508964	24B	0	33	0
PFSP	P	PP	P00523547	TN	4237437111		

6 2 0 0 0 1 5 1 0 1 6

Sch. A Computation of Franchise Tax			Sch. B Computation of Corporate Income Tax	
1	Capital Stock, Surplus, & Undivided Profits	359	10 Shareholder's Shares of Corporation Income (Loss)	80084
	Holding Company Exception	N		
2	Investment in N.C. Tangible Property	0	11 Adjustments to Corporation Income (Loss)	0
3	Appraised Value of N.C. Tangible Property	0	12 N.C. Taxable Income	80084
4	Taxable Amount	359	13 Nonapportionable Income	0
5	Total Franchise Tax Due	35	14 Apportionable Income	80084
6	Application for Franchise Tax Extension	0	15 Apportionment Factor	50.8964%
7	Tax Credits	0	16 Income Apportioned to N.C.	40760
8	Franchise Tax Due	35	17 Nonapportionable Income Allocated to N.C.	0
9	Franchise Tax Overpaid	0	18 Total Net Taxable Income	40760

NCSA0201L 02/05/2015

Sign Return Below [ ] Refund Due [X] Payment Due

Signature and Title of Officer: PRESIDENT
Corporate Telephone Number: (423)-743-7111
Date: 9/28/15

Signature of Paid Preparer: HUGO HANSON
Preparer's Telephone Number: 828-689-8800
Preparer's FEIN, SSN, or PTIN: P00523547

HUGO H HANSON II CPA 746 SEVEN GLENS DRIVE WEAVERVILLE, NC 28787

[ ] FEIN [ ] SSN [X] PTIN

I certify that, to the best of my knowledge, this return is accurate and complete.

Mail to: NCDOR, P.O. Box 25000, Raleigh, N.C. 27640-0530. Returns are due by the 15th day of the 4th month after the end of the income year.

Legal Name *(First 10 Characters)* MOUNTAIN R Federal Employer ID Number 352431799

CD-401S Line-by-Line Information

Sch. B Computation of Corporate Income Tax

19	Amount of Line 18 Attributable to Nonresidents Filing Composite	0
20	Separately Stated Items of Income Attributable to Nonresidents Filing Composite	0
21	N.C. Income Tax	0
22	Annual Report Fee ($25.00)	25
23	Add Lines 21 and 22	25
24	Payments and Credits	
	a Application for Income Tax Extension	0
	b Other Prepayments of Tax	0
	c Partnership (Include Form D-403, NC K-1)	0
	d Nonresident Withholding (Include 1099 or W-2)	0
	e Tax Credits Attributable to Nonresidents Filing Composite	0
25	Add Lines 24a through 24e	0
26	Income Tax Due	25
27	Income Tax Overpaid	0

Tax Due or Refund

28	Franchise Tax Due or Overpayment	35
29	Income Tax Due or Overpayment	25
30	Balance of Tax Due or Overpayment	60
31	a Interest	0
	b Penalties	0
	c Add Lines 31a and 31b	0
32	Total Due	60
33	Amount to be Refunded	0

Sch. C Capital Stock, Surplus, and Undivided Profits

1	Total capital stock outstanding less cost of treasury stock	10000
2	Paid-in or capital surplus	0
3	Retained earnings	-9295
4	Other surplus	0
5	Deferred or unearned income	0
6	Allowance for bad debts	0
7	LIFO reserves	0
8	Other reserves that do not represent definite and accrued legal liabilities (Attach sch)	0
9	Add Lines 1 through 8	705
10	Affiliated indebtedness (Attach schedule)	0
11	Line 9 plus (or minus) Line 10	705
12	Apportionment factor	50.8964 %
13	Capital Stock, Surplus, & Undivided Profits	359

Sch. D Investment in N.C. Tangible Property

Inventory valuation method

1	Total inventories located in N.C.	0
2	Total furniture, fixtures, and M & E located in N.C.	0
3	Total land and buildings located in N.C.	0
4	Total leasehold improvements and other N.C. tangible property	0
5	Add Lines 1 through 4	0
6	Acc. depreciation, depletion, and amortization with respect to N.C. tangible property	0
7	Debts existing for N.C. real estate	0
8	Investment in N.C. Tangible Property	0

Sch. E Appraised Value of N.C. Tangible Property

1	County tax value of N.C. tangible property	0
2	Appraised value of N.C. tangible property	0

Sch. F Other Information - All Taxpayers Must Complete Schedule

1	a State of incorporation	NORTH CAROLINA
	b Date incorporated	12 16 11
2	Date of N.C. Certificate of Authority	
3	Trade or business: a In N.C.	RECREATION
	b Everywhere	RECREATION
4	Principal place of business	
5	a What was the last year the IRS redetermined the corporation's federal taxable income?	
	b Were adjustments reported to N.C.?	N
	c If so, when?	
6	Is corporation subject to franchise tax but not N.C. income tax because its' income activities are protected? (If yes, attach explanation)	N

Sch. G Ordinary Income (Loss) from Trade or Business Activities

1	a Gross receipts or sales
	b Returns and allowances
	c Balance - Line 1a minus Line 1b
2	Cost of goods sold (Attach schedule)
3	Gross Profit (Line 1c minus Line 2)
4	Net gain (loss) (Attach schedule)
5	Other income (loss) (Attach sch)
6	**Total Income (Loss)**
7	Compensation of officers (Attach schedule)
8	Salaries and wages (less employment credits)
9	Repairs and maintenance
10	Bad debts
11	Rents
12	Taxes and licenses
13	Interest
14	a Depreciation
	b Depreciation included in cost of goods sold
	c Balance – Line 14a minus 14b
15	Depletion
16	Advertising
17	Pension, profit-sharing, and similar plans
18	Employee benefit programs
19	Other deductions (Att sch)
20	Total Deductions
21	Ordinary Business Income (Loss)

Sch. H Computation of Income (Loss)

1	Ordinary business income (loss)	80084
2	Net rental real estate income (loss)	0

NCSA0202L 12/29/14

This page must be filed with the first page of Form CD-401S.

CD-401S 2014 Page 3 (51)

Legal Name *(First 10 Characters)* MOUNTAIN R Federal Employer ID Number 352431799

Sch. H Computation of Income (Loss)

3	Other net rental income (loss)	0
4	Interest income	0
5	Ordinary dividends	0
6	Royalties	0
7	Net short-term capital gain (loss)	0
8	Net long-term capital gain (loss)	0
9	Net section 1231 gain (loss)	0
10	Other income (loss) (Attach Schedule)	0
11	Total Income (Loss)	80084

Sch. I Adjustments to Income (Loss)

1	Additions to Income (Loss)	0
2	Deductions from Income (Loss)	0
3	Adjustments to Income (Loss)	0

Sch. J Explanation of Changes for Amended Return

Sch. K Shareholders' Pro Rata Share Items

		Shareholder 1	Shareholder 2	Shareholder 3	Shareholder 4
1	Identifying Number	241047337	241478009		
2	Name	DEBORAH W CALH	MATTHEW P MOSE		
3	Address	2519 WALKER AV GREENSBORO NC	2 JONES BRANCH ERWIN TN		
4	Ownership %	50.0000 %	50.0000 %	%	%
5	Share of income (loss)	40042	40042		
6	Additions to income (loss)				
7	Deductions from income (loss)				
8	Income subject to N.C. tax	40042	40042		
9	Share of tax credits				
10	Tax withheld from nonwage compensation				
11	Amount of Line 8 apportioned or allocated to N.C. (nonresidents only)		20380		
12	Separately stated items of income (nonresidents only)				
13	Net tax paid for shareholder by corporation (nonresidents only)				

		Shareholder 5	Shareholder 6	Shareholder 7	Shareholders' Total
1	Identifying Number				
2	Name				
3	Address				
4	Ownership %	%	%	%	100.0000 %
5	Share of income (loss)				80084
6	Additions to income (loss)				
7	Deductions from income (loss)				
8	Income subject to N.C. tax				80084
9	Share of tax credits				
10	Tax withheld from nonwage compensation				
11	Amount of Line 8 apportioned or allocated to N.C. (nonresidents only)				20380
12	Separately stated items of income (nonresidents only)				
13	Net tax paid for shareholder by corporation (nonresidents only)				

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NCSA0203L 01/20/15

CD-401S 2014 Page 5 (51)

Legal Name *(First 10 Characters)* MOUNTAIN R | Federal Employer ID Number 352431799

Sch. M-2 Analysis of N.C. AAA

		N.C. Accumulated Adjustments	N.C. Other Adjustments	Undistributed Taxable Income Previously Taxed
1	Balance at beginning of year	0	-74923	0
2	Ordinary income from Sch. G, Line 21	80084		
3	Other additions	0	0	
4	Loss from Sch. G, Line 21	(0)		
5	Other reductions See Statement 1	(7691)	(0)	0
6	Compute Lines 1 through 5	72393	-74923	0
7	Distributions other than dividend distributions	6765	0	0
8	Balance at end of tax year	65628	-74923	0

Sch. N Nonapportionable Income

Nonapportionable Income	Gross Amounts	Related Expenses	Net Amounts	Net Amounts Allocated Directly to N.C.
RENTS	0	0	0	0
GAIN - TAN	0	0	0	0
INTEREST	0	0	0	0
DIVIDENDS	0	0	0	0
ROYALTIES	0	0	0	0
OTHER INVE	0	0	0	0
1 Nonapportionable Income			0	
2 Nonapportionable Income Allocated to N.C.				0

Explanation of why income listed is nonapportionable income rather than apportionable income:

Sch. O Computation of Apportionment Factor

Part 1. Domestic Corporations and Other Corporations Not Apportioning Franchise or Income Outside N.C. %

Part 2. Corporations Apportioning Franchise or Income to N.C. and to Other States

		1 Within North Carolina		2 Total Everywhere		
		(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period	
1	Land	0	0	0	0	
2	Buildings	0	0	0	14507	
3	Inventories	2890	2890	5780	5780	
4	Other property	4500	4500	248766	267032	
5	Total	7390	7390	254546	287319	
6	Average value of property	7390		270933		
7	Rented property	0		3840		Factor
8	Property Factor	7390		274773		2.6895 %
9	Gross payroll	0		0		
10	Compensation of general executive officers	0		0		
11	Payroll Factor	0		0		0.0000 %
12	Sales Factor Stm 2	431644		575526		74.9999 %
13	Sales Factor					74.9999 %
14	Total of Factors					152.6893 %
15	N.C. Apportionment Factor					50.8964 %

Part 3. Corporations Apportioning Franchise or Income to N.C. and to Other States Using Single Sales Factor 0.0000 %

Part 4. Special Apportionment 0.0000 %

This page must be filed with the first page of Form CD-401S.

NC K-1 (51)
(CD-401S)
10-22-14

Shareholder's Share of N.C. Income, Adjustments, and Credits

North Carolina Department of Revenue

For calendar year 2014 or other year starting and ending

Part. 1 Information about the Corporation	Part. 2. Information about the Shareholder
A Corporation's Employer Identification Number 352431799	A Shareholder's Identifying Number 241047337
B Corporation's Name, Address, and Zip Code MOUNTAIN RIVER GUIDES INC 2 JONES BRANCH RD ERWIN TN 37650	B Shareholder's Name, Address, and Zip Code DEBORAH W CALHOUN 2519 WALKER AVENUE GREENSBORO NC 27403
C Has Nonresident Shareholder Agreement Form NC-NA been filed? N	C Shareholder's percentage of stock ownership for tax year 50 %

Part. 3 Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

All Shareholders	
1 Share of corporation income (loss) Line 1 should already be included in federal taxable income	40042
2 Additions to income (loss) Enter here and on Form D-400, Schedule S; See Form D-400 Instructions	0
3 Deductions from income (loss) Enter here and on Form D-400, Schedule S; See Form D-400 Instructions	0
4 Share of tax credits Enter here and on Form D-400TC; See Form D-400 Instructions	0
5 Share of tax withheld from nonwage compensation paid for personal services performed in N.C. Enter here and on Form D-400, Line 20	0
Nonresidents Only	
6 Nonresident's share of N.C. taxable income (loss) Enter here and on Form D-400; See Form D-400 Instructions	0
7 Nonresident's share of separately stated items of income Line 7 should already be included in federal taxable income	0
8 Nonresident's share of net tax paid by the S Corporation Enter here and on Form D-400, Line 21d	0

Section 179 Deduction

North Carolina Section 179 Expense Deduction	$	1,880
Total	$	1,880

NC K-1 (51)
(CD-401S)
10-22-14

Shareholder's Share of N.C. Income, Adjustments, and Credits

North Carolina Department of Revenue

For calendar year 2014 or other year starting and ending

Part. 1 Information about the Corporation

A Corporation's Employer Identification Number
352431799

B Corporation's Name, Address, and Zip Code
MOUNTAIN RIVER GUIDES INC
2 JONES BRANCH RD
ERWIN TN 37650

C Has Nonresident Shareholder Agreement Form NC-NA been filed?
Y

Part. 2. Information about the Shareholder

A Shareholder's Identifying Number
241478009

B Shareholder's Name, Address, and Zip Code
MATTHEW P MOSES
2 JONES BRANCH RD
ERWIN TN 37650

C Shareholder's percentage of stock ownership for tax year
50%

Part. 3 Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

All Shareholders	
1 Share of corporation income (loss) Line 1 should already be included in federal taxable income	40042
2 Additions to income (loss) Enter here and on Form D-400, Schedule S; See Form D-400 Instructions	0
3 Deductions from income (loss) Enter here and on Form D-400, Schedule S; See Form D-400 Instructions	0
4 Share of tax credits Enter here and on Form D-400TC; See Form D-400 Instructions	0
5 Share of tax withheld from nonwage compensation paid for personal services performed in N.C. Enter here and on Form D-400, Line 20	0
Nonresidents Only	
6 Nonresident's share of N.C. taxable income (loss) Enter here and on Form D-400; See Form D-400 Instructions SEE PG 2	20380
7 Nonresident's share of separately stated items of income Line 7 should already be included in federal taxable income	0
8 Nonresident's share of net tax paid by the S Corporation Enter here and on Form D-400, Line 21d	0

Form NC-K1, Line 6
Nonresident's Share of N.C. Taxable Income (Loss)

Business Income Apportioned to North Carolina	$	20,380
Total	$	20,380

Section 179 Deduction

North Carolina Section 179 Expense Deduction	$	1,879
Total	$	1,879

Statement 1
Form CD-401S, Schedule M-2, Line 5
Other Reductions

Section 179 Expense	$	3,759
Disallowed Meals and Entertainment		3,932
Total	$	7,691

Statement 2

CD-401S, Schedule O
Sales (North Carolina)

	$	431,645
Totals	$	431,644

CD-401S, Schedule O
Sales (Everywhere)

Gross Receipts or Sales	$	575,526
Totals	$	575,526

2014 **North Carolina Section 179 Worksheet** Page 1

Mountain River Guides, Inc 35-2431799

1.	Maximum dollar limitation	1	25,000.
2.	Total cost of Section 179 property placed in service	2	3,759.
3.	Threshold cost of Section 179 property before reduction in limitation	3	200,000.
4.	Reduction in limitation (line 2 less line 3)	4	
5.	Dollar limitation for tax year (line 1 less line 4)	5	25,000.
6.	Elected cost - regular property	6	3,759.
7.	Elected cost - listed property	7	
8.	Total elected cost of Section 179 property	8	3,759.
9.	Tentative deduction (lesser of line 5 or line 8)	9	3,759.
10.	Carryover of disallowed deduction from 2013	10	
11.	Taxable income limitation (lesser of taxable income or line 5)	11	25,000.
12.	Section 179 deduction (add lines 9 and 10, not more than line 11)	12	3,759.
13.	Section 179 carryover to 2015 (add lines 9 and 10, less line 12)	13	

Form **1120S** — Department of the Treasury, Internal Revenue Service

U.S. Income Tax Return for an S Corporation

▷ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.

▷ Information about Form 1120S and its separate instructions is at www.irs.gov/form1120s.

OMB No. 1545-0123

2014

For calendar year 2014 or tax year beginning , 2014, ending ,

A S election effective date: 12/16/2011	TYPE OR PRINT: Mountain River Guides, Inc 2 Jones Branch Rd Erwin, TN 37650	D Employer identification number: 35-2431799
B Business activity code number (see instrs): 713900		E Date incorporated: 12/16/2011
C Check if Schedule M-3 attached ☐		F Total assets (see instructions): $ 320,823.

G Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No If 'Yes,' attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year ▷ 2

Caution. Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1a	Gross receipts or sales	1a	575,526.	
	b	Returns and allowances	1b		
	c	Balance. Subtract line 1b from line 1a			1c 575,526.
	2	Cost of goods sold (attach Form 1125-A)			2 29,312.
	3	Gross profit. Subtract line 2 from line 1c			3 546,214.
	4	Net gain (loss) from Form 4797, line 17 (attach Form 4797)			4
	5	Other income (loss) *(see instrs — att statement)*			5
	6	**Total income (loss).** Add lines 3 through 5			▷ 6 546,214.
Deductions (see instrs)	7	Compensation of officers (see instructions - attach Form 1125-E)			7
	8	Salaries and wages (less employment credits)			8
	9	Repairs and maintenance			9
	10	Bad debts			10
	11	Rents			11 480.
	12	Taxes and licenses			12 13,195.
	13	Interest			13 500.
	14	Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)			14 63,755.
	15	Depletion (**Do not deduct oil and gas depletion.**)			15
	16	Advertising			16 16,813.
	17	Pension, profit-sharing, etc, plans			17
	18	Employee benefit programs			18
	19	Other deductions (attach statement) See Statement 1			19 371,387.
	20	**Total deductions.** Add lines 7 through 19			▷ 20 466,130.
	21	**Ordinary business income (loss).** Subtract line 20 from line 6			21 80,084.
Tax and Payments	22a	Excess net passive income or LIFO recapture tax *(see instructions)*	22a		
	b	Tax from Schedule D (Form 1120S)	22b		
	c	Add lines 22a and 22b (see instructions for additional taxes)			22c
	23a	2014 estimated tax payments and 2013 overpayment credited to 2014	23a		
	b	Tax deposited with Form 7004	23b		
	c	Credit for federal tax paid on fuels (attach Form 4136)	23c		
	d	Add lines 23a through 23c			23d
	24	Estimated tax penalty (see instructions). Check if Form 2220 is attached ▷ ☐			24
	25	Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed			25 0.
	26	**Overpayment.** If line 23d is larger than the total of lines 22c and 24, enter amount overpaid			26
	27	Enter amount from line 26 **Credited to 2015 estimated tax** ▷		**Refunded** ▷	27

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▷ _____ (Signature of officer) _____ (Date) ▷ President (Title)

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name: Hugo Hanson	Preparer's signature: Hugo Hanson	Date	Check ☒ if self-employed; PTIN: P00523547
Firm's name ▷ Hugo H Hanson II CPA			Firm's EIN ▷ 22-3566339
Firm's address ▷ 746 Seven Glens Drive Weaverville, NC 28787			Phone no. 828-689-8800

Schedule B Other Information (see instructions)

		Yes	No
1	Check accounting method: a [X] Cash b [ ] Accrual c [ ] Other (specify) ▷		
2	See the instructions and enter the: a Business activity ▷ Recreation b Product or service ▷ River Guide		
3	At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation		X
4	At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (v) below		X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made

b	Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (v) below		X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital

5a	At the end of the tax year, did the corporation have any outstanding shares of restricted stock? If 'Yes,' complete lines (i) and (ii) below. (i) Total shares of restricted stock ▷ (ii) Total shares of non-restricted stock ▷		X
b	At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? If 'Yes,' complete lines (i) and (ii) below. (i) Total shares of stock outstanding at the end of the tax year ▷ (ii) Total shares of stock outstanding if all instruments were executed ▷		X
6	Has this corporation filed, or is it required to file, **Form 8918**, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		X
7	Check this box if the corporation issued publicly offered debt instruments with original issue discount ▷ [ ] If checked, the corporation may have to file **Form 8281**, Information Return for Publicly Offered Original Issue Discount Instruments.		
8	If the corporation: **(a)** was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and **(b)** has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions) ▷ $		
9	Enter the accumulated earnings and profits of the corporation at the end of the tax year $		
10	Does the corporation satisfy **both** of the following conditions? a The corporation's total receipts (see instructions) for the tax year were less than $250,000		
b	The corporation's total assets at the end of the tax year were less than $250,000 If 'Yes,' the corporation is not required to complete Schedules L and M-1.		X
11	During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? If 'Yes,' enter the amount of principal reduction $		X
12	During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If 'Yes', see instructions		X
13a	Did the corporation make any payments in 2014 that would require it to file Form(s) 1099?	X	
b	If 'Yes,' did the corporation file or will it file required Forms 1099?	X	

Schedule K	Shareholders' Pro Rata Share Items		Total amount
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	80,084.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss) 3a		
	b Expenses from other rental activities (attach statement) 3b		
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Interest income	4	
	5 Dividends: a Ordinary dividends	5a	
	b Qualified dividends 5b		
	6 Royalties	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7	
	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a	
	b Collectibles (28%) gain (loss) 8b		
	c Unrecaptured section 1250 gain (attach statement) 8c		
	9 Net section 1231 gain (loss) (attach Form 4797)	9	
	10 Other income (loss) (see instructions) Type ▶	10	
Deductions	11 Section 179 deduction (attach Form 4562)	11	3,759.
	12a Charitable contributions	12a	
	b Investment interest expense	12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c (2)	
	d Other deductions (see instructions) Type ▶	12d	
Credits	13a Low-income housing credit (section 42(j)(5))	13a	
	b Low-income housing credit (other)	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13c	
	d Other rental real estate credits (see instrs) Type ▶	13d	
	e Other rental credits (see instrs) Type ▶	13e	
	f Biofuel producer credit (attach Form 6478)	13f	
	g Other credits (see instructions) Type ▶	13g	
Foreign Transactions	14a Name of country or U.S. possession ▶		
	b Gross income from all sources	14b	
	c Gross income sourced at shareholder level	14c	
	Foreign gross income sourced at corporate level		
	d Passive category	14d	
	e General category	14e	
	f Other (attach statement)	14f	
	Deductions allocated and apportioned at shareholder level		
	g Interest expense	14g	
	h Other	14h	
	Deductions allocated and apportioned at corporate level to foreign source income		
	i Passive category	14i	
	j General category	14j	
	k Other (attach statement)	14k	
	Other information		
	l Total foreign taxes (check one): ▶ ☐ Paid ☐ Accrued	14l	
	m Reduction in taxes available for credit (attach statement)	14m	
	n Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment	15a	2,629.
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties – gross income	15d	
	e Oil, gas, and geothermal properties – deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	3,932.
	d Distributions (attach stmt if required) (see instrs)	16d	6,765.
	e Repayment of loans from shareholders	16e	

Schedule K	Shareholders' Pro Rata Share Items (continued)		Total amount
Other information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		
Reconciliation	18 **Income/loss reconciliation.** Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	76,325.

Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
Assets	(a)	(b)	(c)	(d)
1 Cash		3,770.		2,197.
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories		5,870.		5,870.
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach stmt)				
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (attach statement)				
10a Buildings and other depreciable assets	248,766.		267,032.	
b Less accumulated depreciation	119,832.	128,934.	187,346.	79,686.
11a Depletable assets				
b Less accumulated depletion				
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)	290,024.		290,024.	
b Less accumulated amortization	38,670.	251,354.	58,005.	232,019.
14 Other assets (attach stmt) See St 2		1,050.		1,051.
15 Total assets		390,978.		320,823.
Liabilities and Shareholders' Equity				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year		10,000.		10,000.
18 Other current liabilities (attach stmt) See St 3		10,249.		10,249.
19 Loans from shareholders		5,902.		5,902.
20 Mortgages, notes, bonds payable in 1 year or more		429,750.		293,967.
21 Other liabilities (attach statement)				
22 Capital stock		10,000.		10,000.
23 Additional paid-in capital				
24 Retained earnings		-74,923.		-9,295.
25 Adjustments to shareholders' equity (att stmt)				
26 Less cost of treasury stock				
27 Total liabilities and shareholders' equity		390,978.		320,823.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. The corporation may be required to file Schedule M-3 (see instructions)

1	Net income (loss) per books	72,393.	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize): a Tax-exempt interest $	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):				
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14l (itemize): a Depreciation $ b Travel and entertainment $ 3,932.	3,932.	6	Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize): a Depreciation $	
			7	Add lines 5 and 6	0.
4	Add lines 1 through 3	76,325.	8	Income (loss) (Schedule K, line 18). Line 4 less line 7	76,325.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

		(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	0.	-74,923.	
2	Ordinary income from page 1, line 21	80,084.		
3	Other additions			
4	Loss from page 1, line 21			
5	Other reductions See Statement 4	(7,691.)		
6	Combine lines 1 through 5	72,393.	-74,923.	
7	Distributions other than dividend distributions	6,765.		
8	Balance at end of tax year. Subtract line 7 from line 6	65,628.	-74,923.	

671113

Schedule K-1 (Form 1120S)
Department of the Treasury Internal Revenue Service

2014

For calendar year 2014, or tax year beginning _____, 2014 ending _____, _____

☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0123

Shareholder's Share of Income, Deductions, Credits, etc

▻ See page 2 of form and separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number
35-2431799

B Corporation's name, address, city, state, and ZIP code
Mountain River Guides, Inc
2 Jones Branch Rd
Erwin, TN 37650

C IRS Center where corporation filed return
e-file

Part II Information About the Shareholder

D Shareholder's identifying number
241-04-7337

E Shareholder's name, address, city, state, and ZIP code
Deborah W Calhoun
2519 Walker Avenue
Greensboro, NC 27403

F Shareholder's percentage of stock ownership for tax year..... 50 %

FOR IRS USE ONLY

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss) 40,042.	13	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
		A	1,315.
11	Section 179 deduction 1,880.	16	Items affecting shareholder basis
		C	1,966.
12	Other deductions	D	6,765.
		17	Other information

*See attached statement for additional information.

Shareholder 1

SPSA0412L 11/19/14

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

		Report on
1	**Ordinary business income (loss).** Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:	
	Passive loss	See the Shareholder's Instructions
	Passive income	Schedule E, line 28, column (g)
	Nonpassive loss	Schedule E, line 28, column (h)
	Nonpassive income	Schedule E, line 28, column (j)
2	**Net rental real estate income (loss)**	See the Shareholder's Instructions
3	**Other net rental income (loss)**	
	Net income	Schedule E, line 28, column (g)
	Net loss	See the Shareholder's Instructions
4	**Interest income**	Form 1040, line 8a
5a	**Ordinary dividends**	Form 1040, line 9a
5b	**Qualified dividends**	Form 1040, line 9b
6	**Royalties**	Schedule E, line 4
7	**Net short-term capital gain (loss)**	Schedule D, line 5
8a	**Net long-term capital gain (loss)**	Schedule D, line 12
8b	**Collectibles (28%) gain (loss)**	28% Rate Gain Worksheet, line 4 (Schedule D Instructions)
8c	**Unrecaptured section 1250 gain**	See the Shareholder's Instructions
9	**Net section 1231 gain (loss)**	See the Shareholder's Instructions
10	**Other income (loss)**	
	Code	
	A Other portfolio income (loss)	See the Shareholder's Instructions
	B Involuntary conversions	See the Shareholder's Instructions
	C Sec. 1256 contracts and straddles	Form 6781, line 1
	D Mining exploration costs recapture	See Pub 535
	E Other income (loss)	See the Shareholder's Instructions
11	**Section 179 deduction**	See the Shareholder's Instructions
12	**Other deductions**	
	A Cash contributions (50%)	See the Shareholder's Instructions
	B Cash contributions (30%)	
	C Noncash contributions (50%)	
	D Noncash contributions (30%)	
	E Capital gain property to a 50% organization (30%)	
	F Capital gain property (20%)	
	G Contributions (100%)	
	H Investment interest expense	Form 4952, line 1
	I Deductions — royalty income	Schedule E, line 19
	J Section 59(e)(2) expenditures	See the Shareholder's Instructions
	K Deductions — portfolio (2% floor)	Schedule A, line 23
	L Deductions — portfolio (other)	Schedule A, line 28
	M Preproductive period expenses	See the Shareholder's Instructions
	N Commercial revitalization deduction from rental real estate activities	See Form 8582 instructions
	O Reforestation expense deduction	See the Shareholder's Instructions
	P Domestic production activities information	See Form 8903 instructions
	Q Qualified production activities income	Form 8903, line 7b
	R Employer's Form W-2 wages	Form 8903, line 17
	S Other deductions	See the Shareholder's Instructions
13	**Credits**	
	A Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Shareholder's Instructions
	B Low-income housing credit (other) from pre-2008 buildings	
	C Low-income housing credit (section 42(j)(5)) from post-2007 buildings	
	D Low-income housing credit (other) from post-2007 buildings	
	E Qualified rehabilitation expenditures (rental real estate)	
	F Other rental real estate credits	
	G Other rental credits	
	H Undistributed capital gains credit	Form 1040, line 73, box a
	I Biofuel producer credit	See the Shareholder's Instructions
	J Work opportunity credit	
	K Disabled access credit	
	L Empowerment zone employment credit	
	M Credit for increasing research activities	
	N Credit for employer social security and Medicare taxes	See the Shareholder's Instructions
	O Backup withholding	
	P Other credits	
14	**Foreign transactions**	
	A Name of country or U.S. possession	Form 1116, Part I
	B Gross income from all sources	
	C Gross income sourced at shareholder level	
	Foreign gross income sourced at corporate level	
	D Passive category	Form 1116, Part I
	E General category	
	F Other	
	Deductions allocated and apportioned at shareholder level	
	G Interest expense	Form 1116, Part I
	H Other	Form 1116, Part I
	Deductions allocated and apportioned at corporate level to foreign source income	
	I Passive category	Form 1116, Part I
	J General category	
	K Other	
	Other information	
	L Total foreign taxes paid	Form 1116, Part II
	M Total foreign taxes accrued	Form 1116, Part II
	N Reduction in taxes available for credit	Form 1116, line 12
	O Foreign trading gross receipts	Form 8873
	P Extraterritorial income exclusion	Form 8873
	Q Other foreign transactions	See the Shareholder's Instructions
15	**Alternative minimum tax (AMT) items**	
	A Post-1986 depreciation adjustment	See the Shareholder's Instructions and the Instructions for Form 6251
	B Adjusted gain or loss	
	C Depletion (other than oil & gas)	
	D Oil, gas, & geothermal — gross income	
	E Oil, gas, & geothermal — deductions	
	F Other AMT items	
16	**Items affecting shareholder basis**	
	A Tax-exempt interest income	Form 1040, line 8b
	B Other tax-exempt income	See the Shareholder's Instructions
	C Nondeductible expenses	
	D Distributions	
	E Repayment of loans from shareholders	
17	**Other information**	
	A Investment income	Form 4952, line 4a
	B Investment expenses	Form 4952, line 5
	C Qualified rehabilitation expenditures (other than rental real estate)	See the Shareholder's Instructions
	D Basis of energy property	See the Shareholder's Instructions
	E Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
	F Recapture of low-income housing credit (other)	Form 8611, line 8
	G Recapture of investment credit	See Form 4255
	H Recapture of other credits	See the Shareholder's Instructions
	I Look-back interest — completed long-term contracts	See Form 8697
	J Look-back interest — income forecast method	See Form 8866
	K Dispositions of property with section 179 deductions	See the Shareholder's Instructions
	L Recapture of section 179 deduction	
	M Section 453(l)(3) information	
	N Section 453A(c) information	
	O Section 1260(b) information	
	P Interest allocable to production expenditures	
	Q CCF nonqualified withdrawals	
	R Depletion information — oil and gas	
	S Reserved	
	T Section 199(d) information	
	U Net investment income	
	V Other information	

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Schedule K-1 (Form 1120S)
Department of the Treasury
Internal Revenue Service

2014

For calendar year 2014, or tax year beginning _____, 2014
ending _____, _____

☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0123

Shareholder's Share of Income, Deductions, Credits, etc

▶ See page 2 of form and separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number
35-2431799

B Corporation's name, address, city, state, and ZIP code
Mountain River Guides, Inc
2 Jones Branch Rd
Erwin, TN 37650

C IRS Center where corporation filed return
e-file

Part II Information About the Shareholder

D Shareholder's identifying number
241-47-8009

E Shareholder's name, address, city, state, and ZIP code
Matthew P Moses
2 Jones Branch Rd
Erwin, TN 37650

F Shareholder's percentage of stock ownership for tax year..... 50 %

FOR IRS USE ONLY

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss) 40,042.	13	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15 A	Alternative minimum tax (AMT) items 1,314.
11	Section 179 deduction 1,879.	16 C	Items affecting shareholder basis 1,966.
12	Other deductions		
		17	Other information

*See attached statement for additional information.

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

		Report on
1	**Ordinary business income (loss).** Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:	
	Passive loss	See the Shareholder's Instructions
	Passive income	Schedule E, line 28, column (g)
	Nonpassive loss	Schedule E, line 28, column (h)
	Nonpassive income	Schedule E, line 28, column (j)
2	**Net rental real estate income (loss)**	See the Shareholder's Instructions
3	**Other net rental income (loss)**	
	Net income	Schedule E, line 28, column (g)
	Net loss	See the Shareholder's Instructions
4	**Interest income**	Form 1040, line 8a
5a	**Ordinary dividends**	Form 1040, line 9a
5b	**Qualified dividends**	Form 1040, line 9b
6	**Royalties**	Schedule E, line 4
7	**Net short-term capital gain (loss)**	Schedule D, line 5
8a	**Net long-term capital gain (loss)**	Schedule D, line 12
8b	**Collectibles (28%) gain (loss)**	28% Rate Gain Worksheet, line 4 (Schedule D instructions)
8c	**Unrecaptured section 1250 gain**	See the Shareholder's Instructions
9	**Net section 1231 gain (loss)**	See the Shareholder's Instructions
10	**Other income (loss)**	
	Code	
	A Other portfolio income (loss)	See the Shareholder's Instructions
	B Involuntary conversions	See the Shareholder's Instructions
	C Sec. 1256 contracts and straddles	Form 6781, line 1
	D Mining exploration costs recapture	See Pub 535
	E Other income (loss)	See the Shareholder's Instructions
11	**Section 179 deduction**	See the Shareholder's Instructions
12	**Other deductions**	
	A Cash contributions (50%)	See the Shareholder's Instructions
	B Cash contributions (30%)	
	C Noncash contributions (50%)	
	D Noncash contributions (30%)	
	E Capital gain property to a 50% organization (30%)	
	F Capital gain property (20%)	
	G Contributions (100%)	
	H Investment interest expense	Form 4952, line 1
	I Deductions — royalty income	Schedule E, line 19
	J Section 59(e)(2) expenditures	See the Shareholder's Instructions
	K Deductions — portfolio (2% floor)	Schedule A, line 23
	L Deductions — portfolio (other)	Schedule A, line 28
	M Preproductive period expenses	See the Shareholder's Instructions
	N Commercial revitalization deduction from rental real estate activities	See Form 8582 instructions
	O Reforestation expense deduction	See the Shareholder's Instructions
	P Domestic production activities information	See Form 8903 instructions
	Q Qualified production activities income	Form 8903, line 7b
	R Employer's Form W-2 wages	Form 8903, line 17
	S Other deductions	See the Shareholder's Instructions
13	**Credits**	
	A Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Shareholder's Instructions
	B Low-income housing credit (other) from pre-2008 buildings	
	C Low-income housing credit (section 42(j)(5)) from post-2007 buildings	
	D Low-income housing credit (other) from post-2007 buildings	
	E Qualified rehabilitation expenditures (rental real estate)	
	F Other rental real estate credits	
	G Other rental credits	
	H Undistributed capital gains credit	Form 1040, line 73, box a
	I Biofuel producer credit	See the Shareholder's Instructions
	J Work opportunity credit	
	K Disabled access credit	
	L Empowerment zone employment credit	
	M Credit for increasing research activities	
	N Credit for employer social security and Medicare taxes	See the Shareholder's Instructions
	O Backup withholding	
	P Other credits	
14	**Foreign transactions**	
	A Name of country or U.S. possession	Form 1116, Part I
	B Gross income from all sources	
	C Gross income sourced at shareholder level	
	Foreign gross income sourced at corporate level	
	D Passive category	Form 1116, Part I
	E General category	
	F Other	
	Deductions allocated and apportioned at shareholder level	
	G Interest expense	Form 1116, Part I
	H Other	Form 1116, Part I
	Deductions allocated and apportioned at corporate level to foreign source income	
	I Passive category	Form 1116, Part I
	J General category	
	K Other	
	Other information	
	L Total foreign taxes paid	Form 1116, Part II
	M Total foreign taxes accrued	Form 1116, Part II
	N Reduction in taxes available for credit	Form 1116, line 12
	O Foreign trading gross receipts	Form 8873
	P Extraterritorial income exclusion	Form 8873
	Q Other foreign transactions	See the Shareholder's Instructions
15	**Alternative minimum tax (AMT) items**	
	A Post-1986 depreciation adjustment	See the Shareholder's Instructions and the Instructions for Form 6251
	B Adjusted gain or loss	
	C Depletion (other than oil & gas)	
	D Oil, gas, & geothermal — gross income	
	E Oil, gas, & geothermal — deductions	
	F Other AMT items	
16	**Items affecting shareholder basis**	
	A Tax-exempt interest income	Form 1040, line 8b
	B Other tax-exempt income	See the Shareholder's Instructions
	C Nondeductible expenses	
	D Distributions	
	E Repayment of loans from shareholders	
17	**Other information**	
	A Investment income	Form 4952, line 4a
	B Investment expenses	Form 4952, line 5
	C Qualified rehabilitation expenditures (other than rental real estate)	See the Shareholder's Instructions
	D Basis of energy property	See the Shareholder's Instructions
	E Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
	F Recapture of low-income housing credit (other)	Form 8611, line 8
	G Recapture of investment credit	See Form 4255
	H Recapture of other credits	See the Shareholder's Instructions
	I Look-back interest — completed long-term contracts	See Form 8697
	J Look-back interest — income forecast method	See Form 8866
	K Dispositions of property with section 179 deductions	See the Shareholder's Instructions
	L Recapture of section 179 deduction	
	M Section 453(l)(3) information	
	N Section 453A(c) information	
	O Section 1260(b) information	
	P Interest allocable to production expenditures	
	Q CCF nonqualified withdrawals	
	R Depletion information — oil and gas	
	S Reserved	
	T Section 108(i) information	
	U Net investment income	
	V Other information	

Shareholder 2 : Matthew P Moses 241-47-8009

Form 1125-A
(Rev December 2012)
Department of the Treasury
Internal Revenue Service

Cost of Goods Sold

▷ Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.
▷ Information about Form 1125-A and its instructions is at www.irs.gov/form1125a.

OMB No. 1545-2225

Name	Employer identification number
Mountain River Guides, Inc	35-2431799

1	Inventory at beginning of year	1	5,870.
2	Purchases	2	13,410.
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule) See Statement 5	4	15,902.
5	Other costs (attach schedule)	5	
6	**Total.** Add lines 1 through 5	6	35,182.
7	Inventory at end of year	7	5,870.
8	**Cost of goods sold.** Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return (see instructions)	8	29,312.

9a Check all methods used for valuing closing inventory:
- (i) [X] Cost
- (ii) [ ] Lower of cost or market
- (iii) [ ] Other (Specify method used and attach explanation) ▷

b Check if there was a writedown of subnormal goods ▷ [ ]

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▷ [ ]

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO | 9d |

e If property is produced or acquired for resale, do the rules of section 263A apply to the entity (see instructions)? [ ] Yes [X] No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation [ ] Yes [X] No

Form **4562**

Department of the Treasury Internal Revenue Service (99)

Depreciation and Amortization (Including Information on Listed Property)

▻ Attach to your tax return.

▻ Information about Form 4562 and its separate instructions is at *www.irs.gov/form4562.*

OMB No. 1545-0172

2014

Attachment Sequence No. 179

Name(s) shown on return: Mountain River Guides, Inc

Identifying number: 35-2431799

Business or activity to which this form relates: Form 1120S

Part I Election To Expense Certain Property Under Section 179

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	3,759.
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0.
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	500,000.

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	5-Year SUP Board 14	1,759.	1,759.
	5-Year Raft 14	2,000.	2,000.
7	Listed property. Enter the amount from line 29	7	0.
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	3,759.
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	3,759.
10	Carryover of disallowed deduction from line 13 of your 2013 Form 4562	10	0.
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	80,084.
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	3,759.
13	Carryover of disallowed deduction to 2015. Add lines 9 and 10, less line 12 ▻	13	0.

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2014	17	61,592.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▻ ☐		

Section B – Assets Placed in Service During 2014 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property	3/11/14	14,507.	27.5 yrs	MM	S/L	418.
				27.5 yrs	MM	S/L	
i	Nonresidential real property			39 yrs	MM	S/L	
					MM	S/L	

Section C – Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs		S/L	
c	40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	1,745.
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	63,755.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A – Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? ..... [X] Yes [ ] No | 24b If 'Yes,' is the evidence written? ..... [X] Yes [ ] No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use:								
1997 Ford Bu	6/13/12	100.0	3,707.	3,707.	5.0	200DB HY	712.	
Small Bus	3/05/12	100.0	1,500.	1,500.	5.0	200DB HY	288.	
1988 Thomas	2/17/12	100.0	2,500.	2,500.	5.0	200DB HY	480.	
27 Property used 50% or less in a qualified business use:								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28	1,745.	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	0.

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.) ..... Note: *If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.*		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2014 tax year (see instructions):					
43 Amortization of costs that began before your 2014 tax year				43	19,335.
44 Total. Add amounts in column (f). See the instructions for where to report				44	19,335.

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A – Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No | 24b If 'Yes,' is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use:								
94 Dodge Van	2/09/12	100.0	1,382.	1,382.	5.0	200DB HY	265.	
27 Property used 50% or less in a qualified business use:								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.) **Note:** *If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.*		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2014 tax year (see instructions):					
43 Amortization of costs that began before your 2014 tax year				43	
44 Total. Add amounts in column (f). See the instructions for where to report				44	

Statement 1
Form 1120S, Line 19
Other Deductions

Amortization	$ 19,335.
Auto and Truck Expense	36,244.
Bank Charges	1,511.
Business Gifts	41.
Computer & Electronics	258.
Crocket Cabin Expense	2,033.
Drivers	1,326.
French Broad Trip Costs	2,428.
Ground Maintenance	290.
Guide Food Expense	810.
Half Day Snacks	208.
Insurance	46,571.
KO Expense	741.
Legal and Professional	3,170.
Maintenance Supplies	5,726.
Meals and Entertainment Expense	3,933.
Miscellaneous	2,562.
Nolichucky Store Cost	266.
Nolichucky Trip Costs	9,055.
Office Expense	4,712.
Outdoor Gear	5,281.
Outpost Repairs	3,025.
Outside Services	170,776.
Petty Cash	606.
Photo Expense	33.
Photo Labor	125.
Postage	202.
Raft Repair	802.
River Fees	700.
River Supplies	1,574.
Shipping	68.
Shuttle Fee	100.
Staff Meeting Expense	2,488.
Telephone	8,817.
Training	845.
Travel	660.
Trip Advisor	50.
Trip Food	8,189.
USDA Forest Service	9,115.
Utilities	12,790.
Water Testing	493.
Website	491.
Worley's Cave Trip Costs	2,937.
Total	$ 371,387.

Statement 2
Form 1120S, Schedule L, Line 14
Other Assets

	Beginning	Ending
Rounding	$ 0.	$ 1.
Utility Deposit	1,050.	1,050.
Total	$ 1,050.	$ 1,051.

Statement 3
Form 1120S, Schedule L, Line 18
Other Current Liabilities

	Beginning	Ending
Credit Card Payable	$ 10,249.	$ 10,249.
Total	$ 10,249.	$ 10,249.

Statement 4
Form 1120S, Schedule M-2, Column A, Line 5
Other Reductions

Disallowed Meals and Entertainment	$ 3,932.
Section 179 Expense	3,759.
Total	$ 7,691.

Statement 5
Form 1125-A, Line 4
Additional Section 263a Costs

Merchant Accountant Fees	$ 15,902.
Total	$ 15,902.

2014

Federal Income Tax Summary

Mountain River Guides, Inc

35-2431799

	2014	2013	Diff
ORDINARY INCOME			
Gross receipts less returns/allowance	575,526	643,518	-67,992
Cost of goods sold (Form 1125-A)	29,312	29,090	222
Gross Profit	546,214	614,428	-68,214
Total income (loss)	546,214	614,428	-68,214
ORDINARY DEDUCTIONS			
Compensation of officers	0	800	-800
Repairs and maintenance	0	15,074	-15,074
Rents	480	26,000	-25,520
Taxes and licenses	13,195	9,043	4,152
Interest	500	32,157	-31,657
Depreciation	63,755	53,830	9,925
Advertising	16,813	86,774	-69,961
Other deductions	371,387	434,682	-63,295
Total deductions	466,130	658,360	-192,230
Ordinary business income (loss)	80,084	-43,932	124,016
REFUND OR AMOUNT DUE			
Balance due	0	0	0
SCHEDULE K - INCOME			
Ordinary business income (loss)	80,084	0	80,084
SCHEDULE K - DEDUCTIONS			
Section 179 deduction	3,759	0	3,759
SCHEDULE K - ALTERNATIVE MINIMUM TAX ITEMS			
Post-1986 depreciation adjustment	2,629	0	2,629
SCHEDULE K - ITEMS AFFECTING BASIS			
Nondeductible expenses	3,932	0	3,932
Property distributions	6,765	0	6,765
SCHEDULE K - OTHER INFORMATION			
Income (loss) reconciliation	76,325	0	76,325
SCHEDULE L - BALANCE SHEET			
Beginning Assets	390,978	0	390,978
Beginning Liabilities & Equity	390,978	0	390,978
Ending Assets	320,823	0	320,823
Ending Liabilities & Equity	320,823	0	320,823

2014

Federal Balance Sheet Summary

Mountain River Guides, Inc

35-2431799

ENDING ASSETS		
Cash		2,197
Inventories		5,870
Buildings and other assets	267,032	
Less: Accumulated depreciation	(187,346)	79,686
Intangible assets	290,024	
Less: Accumulated amortization	(58,005)	232,019
Other assets		1,051
Total Assets		320,823
ENDING LIABILITIES & EQUITY		
Short-term notes payable		10,000
Other current liabilities		10,249
Loans from shareholders		5,902
Long-term notes payable		293,967
Capital stock		10,000
Retained earnings		-9,295
Total Liabilities and Equity		320,823

2014 **North Carolina Income Tax Summary** Page 1

Mountain River Guides, Inc 1234591

FRANCHISE TAX (SCHEDULE A)

Capital stock, surplus and profits	359
Taxable amount	359
Total Franchise tax due	35
Franchise tax due	35

ADJUSTMENTS TO INCOME (SCHEDULE I)

Total income (loss)	80,084

INCOME TAX (SCHEDULE B)

North Carolina net income subject to tax	80,084
Apportionment factor	50.8964%
Annual report fee	25
Income tax due	25

TAX DUE OR REFUND

Franchise tax due	35
Income tax due	25
Balance of tax due	60
Total due	60

BALANCE SHEET PER BOOKS (SCHEDULE L)

Beginning total assets	390,978
Beginning total liab. and equity	390,978
Ending total assets	320,823
Ending total liab. and equity	320,823

2014 **Tennessee Income Tax Summary** Page 1

Mountain River Guides, Inc 321903795

FRANCHISE TAX

Total net worth	349
Total real & tangible personal property	92,660
Franchise tax	232

EXCISE TAX

Income subject to excise tax	10,438
Excise tax	678
Net excise tax due	678

TOTAL TAX DUE OR OVERPAYMENT

Total franchise and excise taxes	910
Deduct: total credits	0
Subtotal	910
Deduct: total payments	0
Total amount due (overpayment)	910