

5/19/2008

HAMPSTEAD AREA WATER COMPANY INC

1604.01 (a) (1)

BALANCE SHEET

December 31, 2007

ASSETS**Current Assets:**

	<u>12/31/07</u>	<u>12/31/06</u>
Cash	23,596	8,437
Accounts Receivable	78,435	224,636
Accrued Metered Revenue	167,373	77,324
Prepayments	28,977	29,638
Misc Current & Accrued Assets	0	0
Deferred Expenses	56,818	64,753
Deferred Income Taxes	26,227	27,520
Total Current Assets	<u>381,426</u>	<u>432,308</u>

Fixed Assets:

Construction Work in Progress	230,629	110,241
Franchises	10,763	10,763
Land & Land Rights	76,185	76,185
Structures & Improvements	737,977	729,139
Wells & Springs	512,387	512,387
Supply Mains	17,481	17,481
Pumping Equipment	969,886	956,245
Water Treatment Equipment	394,629	390,514
Distribution Reserves & Standpipes	1,433,604	1,431,191
Transmission & Distribution Mains	3,698,568	3,698,568
Services	1,751,502	1,751,502
Meters & Meter Installation	720,771	692,523
Hydrants	80,056	80,056
Transportation Equipment	81,950	31,395
Tools Shop and Garage Equipment	1,926	1,926
Computer Equipment	72,611	13,038
Less: Accumulated Depreciation	(2,464,572)	(2,152,162)
Total Fixed Assets	<u>8,326,353</u>	<u>8,350,992</u>

Total Assets

<u>8,707,779</u>	<u>8,783,300</u>
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5/19/2008

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET****December 31, 2007****LIABILITIES AND EQUITY****Current Liabilities:**

	<u>12/31/07</u>	<u>12/31/06</u>
Accounts Payable	51,947	88,429
Accts Pay to Associated Companies	990,354	1,102,647
Customer Deposits	0	0
Accrued Taxes, Utility Operating Inc	304	432
Accrued Taxes, Other Than Inc.	(790)	111
Accrued Interest	65,694	90,699
Misc Current & Accrued Liabilities	(423)	216
Injuries & Damages Reserve	0	0
Pensions & Benefits Reserve	0	1,205
Total Current Liabilities	<u>1,107,085</u>	<u>1,283,739</u>

Long-Term Liabilities:

Notes Payable - Outside Parties	239,526	209,844
Notes Payable - NHDES (Smith Mtn Tank)	1,315,291	1,242,241
Notes Payable Lewis Builders Inc.	674,219	730,079
Notes Payable - Lewis Builders Development Inc	976,819	802,022
CIAC	6,337,208	6,337,208
Accum Amortization of CIAC	(1,658,603)	(1,489,999)
Total Long-Term Liabilities	<u>7,884,460</u>	<u>7,831,394</u>

Stockholders' Equity:

Common Stock	20,100	20,100
Other Paid In Capital	1,113,401	1,078,401
Retained Earnings	(1,427,001)	(1,400,912)
Reacquired Capital Stock	(3,333)	(3,333)
Net Income (Loss)	13,067	(26,089)
Stockholders' Equity	<u>(283,766)</u>	<u>(331,833)</u>

Total Liabilities and Stockholders Equity

<u>8,707,779</u>	<u>8,783,300</u>
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5/19/2008

HAMPSTEAD AREA WATER COMPANY INC**INCOME STATEMENT****FOR THE YEARS ENDED DECEMBER 31, 2007, 2006 AND 2005**

	Year To Date		
	12/31/07	12/31/06	12/31/05
Revenue:			
Metered Sales to Residential Customers	1,214,412	1,031,980	647,532
Other Water Revenue	54,465	44,797	51,531
Total Revenue	1,268,877	1,076,777	699,064
Expenses:			
Depreciation	332,650	285,500	235,254
Amortization of CIAC	(168,604)	(160,329)	(140,667)
Property Taxes	105,123	102,789	38,164
Other Taxes & Licenses	0	153	(66)
State Income Taxes, Utility Oper Inc	2,641	2,398	2,941
Provision for Deferred Income Taxes	1,293	1,293	1,293
Misc Nonutility Expenses	0	0	0
Interest on Debt to Assoc Companies	120,928	109,599	71,458
Interest on Long-term Debt	33,255	18,730	5,669
Labor on Outside Jobs	12,316	16,502	21,562
Well - Operation Labor & Expenses	2,191	1,959	333
Well - Misc Expenses	0	0	167
Well - Maintenance Supervision & Eng.	0	0	0
Well - Maintenance of Structures\Improv	440	675	0
Maintenance of Wells & Springs	9,510	1,381	1,444
Power Purchased for Pumping	177,371	160,036	121,232
Pumping Labor & Expenses	27,637	24,729	21,620
Pumping - Misc Expenses	26,178	24,257	17,160
Pumps - Maintenance of Structures\Imp	9,464	8,534	8,477
Maintenance of Pumping Equipment	7,100	3,964	3,729
Chemicals	11,917	11,072	9,279
Treatment - Operation Labor & Expenses	77,606	83,276	79,294
Maintenance of Water Treatment Equip	2,684	2,476	560
Transm & Distribution Lines Expenses	13,959	16,371	13,301
Meter Expenses	3,230	1,458	285
Customer Installations Expenses	5,792	5,164	6,798
Transm & Distribution Lines - Misc Exp	0	0	0
Maintenance of Distrib Reservoirs & Stdp	587	598	327
Maintenance of Transm & Distrib Mains	7,727	5,861	7,250
Maintenance of Services	4,210	4,697	0
Maintenance of Meters	1,053	3,553	1,281
Maintenance of Hydrants	2,377	760	0
Meter Reading Expenses	3,112	2,129	5,510
Customer Records & Collection Expenses	48,650	34,461	31,266
Uncollectable Accounts	8,791	0	2,350
Office Supplies & Other Expenses	45,546	21,283	18,430
Outside Services - Engineering	34,042	27,813	88,519
Outside Services - Management Fees	104,167	100,000	100,000
Outside Services - Accounting	21,127	34,829	27,984
Outside Services - Legal	21,070	14,956	21,223
Injuries & Damages	16,221	17,974	11,745
Employee Pensions & Benefits	58,829	48,803	52,674
Franchise Requirements	3,570	3,830	4,273
Regulatory Commission Expenses	25,217	28,980	4,934
Misc General Expenses	(2,322)	1,012	2,593
Misc Expenses - Vehicle Expenses	20,253	12,438	10,529
General Rents	16,900	16,900	16,900
Total Expenses	1,255,810	1,102,866	927,076
Net Income (Loss)	13,067	(26,089)	(228,013)

11/7/2007

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET**
September 30, 2007**ASSETS**

	<u>9/30/07</u>	<u>9/30/06</u>
Current Assets:		
Cash	51,372	64,274
Accounts Receivable	156,782	166,700
Accrued Metered Revenue	211,865	189,094
Prepayments	10,303	8,799
Misc Current & Accrued Assets	1,093	0
Deferred Expenses	52,928	81,166
Deferred Income Taxes	26,550	27,843
Total Current Assets	<u>510,893</u>	<u>537,877</u>
Fixed Assets:		
Construction Work in Progress	196,641	1,313,277
Franchises	10,763	10,763
Land & Land Rights	76,185	22,171
Structures & Improvements	737,977	573,315
Wells & Springs	512,387	464,659
Supply Mains	17,481	13,983
Pumping Equipment	968,101	665,396
Water Treatment Equipment	394,629	367,976
Distribution Reserves & Standpipes	1,433,604	699,621
Transmission & Distribution Mains	3,698,568	3,370,312
Services	1,751,502	1,732,408
Meters & Meter Installation	698,486	690,288
Hydrants	80,056	67,273
Transportation Equipment	81,950	31,395
Tools Shop and Garage Equipment	1,926	1,926
Computer Equipment	72,611	13,038
Less: Accumulated Depreciation	(2,381,460)	(2,055,337)
Total Fixed Assets	<u>8,351,407</u>	<u>7,982,464</u>
Total Assets	<u><u>8,862,300</u></u>	<u><u>8,520,342</u></u>

11/7/2007

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET**
September 30, 2007**LIABILITIES AND EQUITY**

	<u>9/30/07</u>	<u>9/30/06</u>
Current Liabilities:		
Accounts Payable	3,531	94,279
Accts Pay to Associated Companies	1,121,626	1,138,470
Customer Deposits	0	0
Accrued Taxes, Utility Operating Inc	0	0
Accrued Taxes, Other Than Inc.	291	(33)
Accrued Interest	65,694	90,699
Misc Current & Accrued Liabilities	(1,073)	5,448
Injuries & Damages Reserve	0	0
Pensions & Benefits Reserve	0	1,518
Total Current Liabilities	<u>1,190,068</u>	<u>1,330,381</u>
Long-Term Liabilities:		
Notes Payable - Outside Parties	252,101	167,793
Notes Payable - NHDES (Smith Mtn Tank)	1,315,291	1,109,997
Notes Payable Lewis Builders Inc.	688,657	743,278
Notes Payable - Lewis Builders Development Inc	982,120	806,956
CIAC	6,337,208	6,034,846
Accum Amortization of CIAC	(1,616,452)	(1,445,630)
Total Long-Term Liabilities	<u>7,958,924</u>	<u>7,417,241</u>
Stockholders' Equity:		
Common Stock	20,100	20,100
Other Paid In Capital	1,078,401	1,078,401
Retained Earnings	(1,427,001)	(1,400,912)
Reacquired Capital Stock	(3,333)	(3,333)
Net Income (Loss)	45,141	78,463
Stockholders' Equity	<u>(286,692)</u>	<u>(227,280)</u>
Total Liabilities and Stockholders Equity	<u>8,862,300</u>	<u>8,520,342</u>

11/7/2007

HAMPSTEAD AREA WATER COMPANY INC**INCOME STATEMENT****FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007, 2006 AND 2005**

	Year To Date		
	9/30/07	9/30/06	9/30/05
Revenue:			
Metered Sales to Residential Customers	955,730	787,508	452,773
Other Water Revenue	18,234	22,944	30,597
Total Revenue	973,964	810,452	483,370
Expenses:			
Depreciation	249,038	187,875	104,890
Amortization of CIAC	(126,453)	(115,272)	(43,023)
Property Taxes	75,521	38,193	14,736
Other Taxes & Licenses	0	153	102
State Income Taxes, Utility Oper Inc	5	66	562
Provision for Deferred Income Taxes	970	970	970
Misc Nonutility Expenses	0	0	0
Interest on Debt to Assoc Companies	91,309	78,374	44,756
Interest on Long-term Debt	11,687	10,329	4,054
Labor on Outside Jobs	7,592	11,295	14,781
Well - Operation Labor & Expenses	1,826	1,875	121
Well - Misc Expenses	0	0	141
Well - Maintenance Supervision & Eng.	0	0	0
Well - Maintenance of Structures\Improv	440	0	0
Maintenance of Wells & Springs	7,218	1,262	1,411
Power Purchased for Pumping	134,815	118,124	89,655
Pumping Labor & Expenses	22,413	16,876	16,514
Pumping - Misc Expenses	18,276	15,332	12,126
Pumps - Maintenance of Structures\Imp	6,699	6,704	4,317
Maintenance of Pumping Equipment	5,198	3,763	3,377
Chemicals	9,775	8,757	3,265
Treatment - Operation Labor & Expenses	53,844	61,778	54,018
Maintenance of Water Treatment Equip	2,552	1,966	677
Transm & Distribution Lines Expenses	11,145	11,664	8,019
Meter Expenses	634	2,559	285
Customer Installations Expenses	4,449	4,389	5,777
Transm & Distribution Lines - Misc Exp	0	0	0
Maintenance of Distrib Reservoirs & Stdp	432	390	238
Maintenance of Transm & Distrib Mains	3,422	4,936	5,538
Maintenance of Services	1,428	1,476	0
Maintenance of Meters	835	3,060	319
Maintenance of Hydrants	1,388	760	0
Meter Reading Expenses	2,509	1,003	4,070
Customer Records & Collection Expenses	35,474	26,777	20,692
Uncollectable Accounts	2,270	0	8
Office Supplies & Other Expenses	41,105	9,602	7,973
Outside Services - Engineering	27,824	22,826	63,634
Outside Services - Management Fees	76,667	75,000	74,995
Outside Services - Accounting	17,588	24,903	22,429
Outside Services - Legal	16,447	5,136	18,433
Injuries & Damages	11,535	12,415	7,720
Employee Pensions & Benefits	44,160	39,877	41,720
Franchise Requirements	3,570	3,830	3,752
Regulatory Commission Expenses	23,911	9,310	1,846
Misc General Expenses	73	1,131	1,773
Misc Expenses - Vehicle Expenses	16,557	9,850	7,850
General Rents	12,675	12,675	12,673
Total Expenses	928,823	731,988	637,195
Net Income (Loss)	45,141	78,463	(153,825)

9/24/2007

HAMPSTEAD AREA WATER COMPANY INC

BALANCE SHEET

June 30, 2007

ASSETS

Current Assets:

	<u>6/30/07</u>	<u>6/30/06</u>
Cash	55,498	21,890
Accounts Receivable	332,176	306,998
Prepayments	28,207	17,892
Misc Current & Accrued Assets	522	0
Deferred Expenses	48,558	81,218
Deferred Income Taxes	26,874	28,167
Total Current Assets	<u>491,834</u>	<u>456,164</u>

Fixed Assets:

Construction Work in Progress	170,376	918,489
Franchises	10,763	10,763
Land & Land Rights	76,185	22,171
Structures & Improvements	737,977	573,315
Wells & Springs	512,387	464,659
Supply Mains	17,481	13,983
Pumping Equipment	964,275	665,396
Water Treatment Equipment	394,629	367,976
Distribution Reserves & Standpipes	1,433,604	699,621
Transmission & Distribution Mains	3,698,568	3,366,661
Services	1,751,502	1,732,408
Meters & Meter Installation	692,893	690,288
Hydrants	80,056	67,273
Transportation Equipment	81,950	31,395
Tools Shop and Garage Equipment	1,926	1,926
Computer Equipment	70,752	13,038
Less: Accumulated Depreciation	<u>(2,298,755)</u>	<u>(1,992,712)</u>
Total Fixed Assets	<u>8,396,569</u>	<u>7,646,649</u>

9/24/2007

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET**

June 30, 2007

Total Assets8,888,4038,102,813**LIABILITIES AND EQUITY****Current Liabilities:**6/30/076/30/06

Accounts Payable

77,777

177,940

Accts Pay to Associated Companies

1,171,413

1,054,126

Customer Deposits

0

0

Accrued Taxes, Utility Operating Inc

0

0

Accrued Taxes, Other Than Inc.

129

(163)

Accrued Interest

65,694

90,699

Misc Current & Accrued Liabilities

1,474

5,986

Injuries & Damages Reserve

0

0

Pensions & Benefits Reserve

0

0

Total Current Liabilities1,316,4861,328,588**Long-Term Liabilities:**

Notes Payable - Outside Parties

256,356

168,635

Notes Payable - NHDES (Smith Mtn Tank)

1,315,291

702,065

Notes Payable Lewis Builders Inc.

702,775

756,185

Notes Payable - Lewis Builders Development Inc

889,327

811,804

CIAC

6,337,208

6,034,846

Accum Amortization of CIAC

(1,574,301)

(1,407,207)

Total Long-Term Liabilities7,926,6567,066,329**Stockholders' Equity:**

Common Stock

20,100

20,100

Other Paid In Capital

1,078,401

1,078,401

Retained Earnings

(1,427,001)

(1,400,912)

Reacquired Capital Stock

(3,333)

(3,333)

Net Income (Loss)

(22,906)

13,640

Stockholders' Equity(354,739)(292,103)**Total Liabilities and Stockholders Equity**8,888,4038,102,813

9/24/2007

HAMPSTEAD AREA WATER COMPANY INC**INCOME STATEMENT****FOR THE SIX MONTHS ENDED JUNE 30, 2007, 2006 AND 2005****Revenue:**

Metered Sales to Residential Customers
Other Water Revenue

Total Revenue**Expenses:**

Depreciation
Amortization of CIAC
Property Taxes
Other Taxes & Licenses
State Income Taxes, Utility Oper Inc
Provision for Deferred Income Taxes
Misc Nonutility Expenses
Interest on Debt to Assoc Companies
Interest on Long-term Debt
Labor on Outside Jobs
Well - Operation Labor & Expenses
Well - Misc Expenses
Well - Maintenance Supervision & Eng.
Well - Maintenance of Structures\Improv
Maintenance of Wells & Springs
Power Purchased for Pumping
Pumping Labor & Expenses
Pumping - Misc Expenses
Pumps - Maintenance of Structures\Imp
Maintenance of Pumping Equipment
Chemicals
Treatment - Operation Labor & Expenses
Maintenance of Water Treatment Equip
Transm & Distribution Lines Expenses
Meter Expenses
Customer Installations Expenses
Transm & Distribution Lines - Misc Exp
Maintenance of Distrib Reservoirs & Stdp
Maintenance of Transm & Distrib Mains
Maintenance of Services
Maintenance of Meters
Maintenance of Hydrants
Meter Reading Expenses
Customer Records & Collection Expenses
Uncollectable Accounts
Office Supplies & Other Expenses
Outside Services - Engineering
Outside Services - Management Fees
Outside Services - Accounting
Outside Services - Legal
Injuries & Damages
Employee Pensions & Benefits
Franchise Requirements
Regulatory Commission Expenses
Misc General Expenses
Misc Expenses - Vehicle Expenses
General Rents

Total Expenses**Net Income (Loss)**

	6/30/07	6/30/06	6/30/05
Metered Sales to Residential Customers	570,070	478,226	247,069
Other Water Revenue	14,719	17,075	14,898
Total Revenue	584,789	495,302	261,967
Depreciation	165,833	125,250	69,927
Amortization of CIAC	(84,302)	(76,848)	(28,682)
Property Taxes	49,062	25,609	4,423
Other Taxes & Licenses	0	0	102
State Income Taxes, Utility Oper Inc	5	66	562
Provision for Deferred Income Taxes	647	647	647
Misc Nonutility Expenses	0	0	0
Interest on Debt to Assoc Companies	61,275	46,770	26,337
Interest on Long-term Debt	2,827	8,545	2,716
Labor on Outside Jobs	5,795	5,569	9,986
Well - Operation Labor & Expenses	302	1,850	121
Well - Misc Expenses	0	0	0
Well - Maintenance Supervision & Eng.	0	0	0
Well - Maintenance of Structures\Improv	433	0	0
Maintenance of Wells & Springs	5,237	1,161	738
Power Purchased for Pumping	80,188	71,396	50,846
Pumping Labor & Expenses	15,922	11,830	9,115
Pumping - Misc Expenses	13,305	10,880	7,430
Pumps - Maintenance of Structures\Imp	3,876	5,171	3,855
Maintenance of Pumping Equipment	3,192	3,570	1,958
Chemicals	6,270	3,116	3,265
Treatment - Operation Labor & Expenses	38,272	38,960	29,206
Maintenance of Water Treatment Equip	2,496	1,862	360
Transm & Distribution Lines Expenses	7,274	7,683	4,960
Meter Expenses	634	300	285
Customer Installations Expenses	2,569	2,507	3,334
Transm & Distribution Lines - Misc Exp	0	0	0
Maintenance of Distrib Reservoirs & Stdp	272	220	40
Maintenance of Transm & Distrib Mains	1,804	3,717	3,698
Maintenance of Services	583	0	0
Maintenance of Meters	678	2,707	125
Maintenance of Hydrants	468	0	0
Meter Reading Expenses	1,576	597	2,779
Customer Records & Collection Expenses	21,681	19,115	11,530
Uncollectable Accounts	2,270	0	0
Office Supplies & Other Expenses	20,547	4,994	2,780
Outside Services - Engineering	20,966	18,379	38,767
Outside Services - Management Fees	50,000	50,000	50,000
Outside Services - Accounting	11,887	21,114	16,307
Outside Services - Legal	10,235	4,153	17,357
Injuries & Damages	6,747	8,911	4,057
Employee Pensions & Benefits	29,141	30,197	31,452
Franchise Requirements	3,570	0	3,731
Regulatory Commission Expenses	22,548	6,656	0
Misc General Expenses	3,633	841	1,166
Misc Expenses - Vehicle Expenses	9,529	5,718	5,463
General Rents	8,450	8,450	8,450
Total Expenses	607,695	481,661	399,193
Net Income (Loss)	(22,906)	13,640	(137,226)

9/4/2007

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET****March 31, 2007****ASSETS****Current Assets:**

	<u>3/31/07</u>	<u>3/31/06</u>
Cash	57,874	99,301
Accounts Receivable	319,092	196,014
Prepayments	(341)	6,342
Misc Current & Accrued Assets	0	1,500
Deferred Expenses	53,744	78,443
Deferred Income Taxes	27,197	28,490
Total Current Assets	<u>457,565</u>	<u>410,090</u>

Fixed Assets:

Construction Work in Progress	128,629	422,726
Franchises	10,763	10,763
Land & Land Rights	76,185	22,171
Structures & Improvements	731,471	535,083
Wells & Springs	512,387	435,559
Supply Mains	17,481	11,434
Pumping Equipment	956,245	619,213
Water Treatment Equipment	390,514	339,877
Distribution Reserves & Standpipes	1,433,604	688,348
Transmission & Distribution Mains	3,698,568	3,291,915
Services	1,751,502	1,729,007
Meters & Meter Installation	692,667	652,588
Hydrants	80,056	67,273
Transportation Equipment	63,377	31,395
Tools Shop and Garage Equipment	1,926	1,926
Computer Equipment	59,249	13,038
Less: Accumulated Depreciation	(2,234,789)	(1,930,846)
Total Fixed Assets	<u>8,369,834</u>	<u>6,941,471</u>

Total Assets

<u>8,827,399</u>	<u>7,351,561</u>
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9/4/2007

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET**

March 31, 2007

LIABILITIES AND EQUITY**Current Liabilities:**

	<u>3/31/07</u>	<u>3/31/06</u>
Accounts Payable	77,025	74,105
Accts Pay to Associated Companies	1,151,380	992,889
Customer Deposits	0	0
Accrued Taxes, Utility Operating Inc	0	0
Accrued Taxes, Other Than Inc.	(640)	815
Accrued Interest	90,699	90,699
Misc Current & Accrued Liabilities	351	2,178
Injuries & Damages Reserve	0	0
Pensions & Benefits Reserve	0	1,835
Total Current Liabilities	<u>1,318,816</u>	<u>1,162,521</u>

Long-Term Liabilities:

Notes Payable - Outside Parties	233,727	168,635
Notes Payable - NHDES (Smith Mtn Tank)	1,315,291	391,924
Notes Payable Lewis Builders Inc.	716,580	768,383
Notes Payable - Lewis Builders Development Inc	796,998	655,797
CIAC	6,337,208	5,924,525
Accum Amortization of CIAC	(1,532,150)	(1,368,783)
Total Long-Term Liabilities	<u>7,867,653</u>	<u>6,540,481</u>

Stockholders' Equity:

Common Stock	20,100	20,100
Other Paid In Capital	1,078,401	1,078,401
Retained Earnings	(1,427,001)	(1,400,912)
Reacquired Capital Stock	(3,333)	(3,333)
Net Income (Loss)	(27,236)	(45,698)
Stockholders' Equity	<u>(359,069)</u>	<u>(351,442)</u>

Total Liabilities and Stockholders Equity

	<u>8,827,399</u>	<u>7,351,561</u>
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9/4/2007

HAMPSTEAD AREA WATER COMPANY INC**INCOME STATEMENT****FOR THE THREE MONTHS ENDED MARCH 31, 2007, 2006 AND 2005****Revenue:**

Metered Sales to Residential Customers
Other Water Revenue

Total Revenue**Expenses:**

Depreciation
Amortization of CIAC
Property Taxes
Other Taxes & Licenses
State Income Taxes, Utility Oper Inc
Provision for Deferred Income Taxes
Misc Nonutility Expenses
Interest on Debt to Assoc Companies
Interest on Long-term Debt
Labor on Outside Jobs
Well - Operation Labor & Expenses
Well - Misc Expenses
Well - Maintenance Supervision & Eng.
Well - Maintenance of Structures\Improv
Maintenance of Wells & Springs
Power Purchased for Pumping
Pumping Labor & Expenses
Pumping - Misc Expenses
Pumps - Maintenance of Structures\Imp
Maintenance of Pumping Equipment
Chemicals
Treatment - Operation Labor & Expenses
Maintenance of Water Treatment Equip
Transm & Distribution Lines Expenses
Meter Expenses
Customer Installations Expenses
Transm & Distribution Lines - Misc Exp
Maintenance of Distrib Reservoirs & Stdp
Maintenance of Transm & Distrib Mains
Maintenance of Services
Maintenance of Meters
Maintenance of Hydrants
Meter Reading Expenses
Customer Records & Collection Expenses
Uncollectable Accounts
Office Supplies & Other Expenses
Outside Services - Engineering
Outside Services - Management Fees
Outside Services - Accounting
Outside Services - Legal
Injuries & Damages
Employee Pensions & Benefits
Franchise Requirements
Regulatory Commission Expenses
Misc General Expenses
Misc Expenses - Vehicle Expenses
General Rents

Total Expenses**Net Income (Loss)**

	3/31/07	3/31/06	3/31/05
Metered Sales to Residential Customers	263,197	193,402	85,377
Other Water Revenue	5,704	7,589	4,924
Total Revenue	268,901	200,992	90,301
Depreciation	82,628	62,625	34,963
Amortization of CIAC	(42,151)	(38,424)	(14,341)
Property Taxes	18,327	9,693	(1,441)
Other Taxes & Licenses	0	0	102
State Income Taxes, Utility Oper Inc	5	66	0
Provision for Deferred Income Taxes	323	323	323
Misc Nonutility Expenses	0	0	0
Interest on Debt to Assoc Companies	30,836	22,161	13,359
Interest on Long-term Debt	1,404	8,473	1,365
Labor on Outside Jobs	3,989	4,757	3,362
Well - Operation Labor & Expenses	159	1,719	25
Well - Misc Expenses	0	0	0
Well - Maintenance Supervision & Eng.	0	0	0
Well - Maintenance of Structures\Improv	34	0	0
Maintenance of Wells & Springs	30	413	499
Power Purchased for Pumping	42,476	31,753	20,246
Pumping Labor & Expenses	7,530	5,709	4,420
Pumping - Misc Expenses	7,182	6,657	3,215
Pumps - Maintenance of Structures\Imp	845	2,868	3,081
Maintenance of Pumping Equipment	376	1,123	1,635
Chemicals	1,960	0	3,265
Treatment - Operation Labor & Expenses	19,633	19,677	13,192
Maintenance of Water Treatment Equip	1,815	1,168	185
Transm & Distribution Lines Expenses	2,620	3,109	1,865
Meter Expenses	634	300	285
Customer Installations Expenses	1,288	815	1,416
Transm & Distribution Lines - Misc Exp	0	0	0
Maintenance of Distrib Reservoirs & Stdp	217	0	0
Maintenance of Transm & Distrib Mains	248	1,460	1,232
Maintenance of Services	583	0	0
Maintenance of Meters	390	590	61
Maintenance of Hydrants	0	0	0
Meter Reading Expenses	770	272	1,085
Customer Records & Collection Expenses	8,839	8,698	3,853
Uncollectable Accounts	230	0	0
Office Supplies & Other Expenses	11,616	2,125	1,679
Outside Services - Engineering	10,767	12,121	24,296
Outside Services - Management Fees	25,000	25,000	25,000
Outside Services - Accounting	6,861	15,001	10,325
Outside Services - Legal	2,676	2,028	11,466
Injuries & Damages	3,667	3,046	951
Employee Pensions & Benefits	17,837	19,086	20,583
Franchise Requirements	0	0	0
Regulatory Commission Expenses	14,245	4,003	0
Misc General Expenses	2,392	446	404
Misc Expenses - Vehicle Expenses	3,630	3,601	2,221
General Rents	4,225	4,225	4,225
Total Expenses	296,137	246,690	198,402
Net Income (Loss)	(27,236)	(45,698)	(108,101)

10/31/2006

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET**

September 30, 2006

ASSETS**Current Assets:**

	<u>9/30/06</u>	<u>9/30/05</u>
Cash	64,274	5,625
Accounts Receivable	355,794	196,954
Prepayments	8,799	11,809
Misc Current & Accrued Assets	0	1,500
Deferred Expenses	81,166	69,066
Deferred Income Taxes	27,843	29,136
Total Current Assets	<u>537,877</u>	<u>314,090</u>

Fixed Assets:

Construction Work in Progress	1,313,277	148,072
Franchises	10,763	0
Land & Land Rights	22,171	21,715
Structures & Improvements	573,315	472,012
Wells & Springs	464,659	339,027
Supply Mains	13,983	1,919
Pumping Equipment	665,396	501,178
Water Treatment Equipment	367,976	175,266
Distribution Reserves & Standpipes	699,621	397,475
Transmission & Distribution Mains	3,370,312	1,539,440
Services	1,732,408	530,822
Meters & Meter Installation	690,288	325,600
Hydrants	67,273	17,500
Transportation Equipment	31,395	31,395
Tools Shop and Garage Equipment	1,926	1,926
Computer Equipment	13,038	13,038
Less: Accumulated Depreciation	(2,055,337)	(818,872)
Total Fixed Assets	<u>7,982,464</u>	<u>3,697,515</u>

Total Assets

<u>8,520,342</u>	<u>4,011,605</u>
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10/31/2006

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET**

September 30, 2006

LIABILITIES AND EQUITY**Current Liabilities:**

	<u>9/30/06</u>	<u>9/30/05</u>
Accounts Payable	94,279	4,234
Accts Pay to Associated Companies	1,138,470	1,002,929
Customer Deposits	0	0
Accrued Taxes, Utility Operating Inc	0	0
Accrued Taxes, Other Than Inc.	(33)	2,470
Accrued Interest	90,699	90,699
Misc Current & Accrued Liabilities	5,448	1,535
Injuries & Damages Reserve	0	5,942
Pensions & Benefits Reserve	1,518	1,820
Total Current Liabilities	<u>1,330,381</u>	<u>1,109,627</u>

Long-Term Liabilities:

Notes Payable - Outside Parties	167,793	55,892
Notes Payable - NHDES (Smith Mtn Tank)	1,109,997	0
Notes Payable Lewis Builders Inc.	743,278	794,924
Notes Payable - Lewis Builders Development Inc	806,956	598,084
CIAC	6,034,846	2,104,882
Accum Amortization of CIAC	(1,445,630)	(195,244)
Total Long-Term Liabilities	<u>7,417,241</u>	<u>3,358,538</u>

Stockholders' Equity:

Common Stock	20,100	20,100
Other Paid In Capital	1,078,401	853,401
Retained Earnings	(1,400,912)	(3,333)
Reacquired Capital Stock	(3,333)	(1,172,899)
Net Income (Loss)	78,463	(153,829)
Stockholders' Equity	<u>(227,280)</u>	<u>(456,560)</u>

Total Liabilities and Stockholders Equity

<u>8,520,342</u>	<u>4,011,605</u>
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10/31/2006

HAMPSTEAD AREA WATER COMPANY INC

INCOME STATEMENT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2006 AND 2005

Revenue:	9/30/06	9/30/05
Metered Sales to Residential Customers	787,508	452,773
Other Water Revenue	22,944	30,597
Total Revenue	810,452	483,370
Expenses:		
Depreciation	187,875	104,890
Amortization of CIAC	(115,272)	(43,023)
Property Taxes	38,193	14,736
Other Taxes & Licenses	153	102
State Income Taxes, Utility Oper Inc	66	562
Provision for Deferred Income Taxes	970	970
Misc Nonutility Expenses	0	0
Interest on Debt to Assoc Companies	78,374	44,756
Interest on Long-term Debt	10,329	4,054
Labor on Outside Jobs	11,295	14,781
Well - Operation Labor & Expenses	1,875	121
Well - Misc Expenses	0	141
Well - Maintenance Supervision & Eng.	0	0
Well - Maintenance of Structures\Improv	0	0
Maintenance of Wells & Springs	1,262	1,411
Power Purchased for Pumping	118,124	89,655
Pumping Labor & Expenses	16,876	16,514
Pumping - Misc Expenses	15,332	12,126
Pumps - Maintenance of Structures\Imp	6,704	4,317
Maintenance of Pumping Equipment	3,763	3,377
Chemicals	8,757	3,265
Treatment - Operation Labor & Expenses	61,778	54,018
Maintenance of Water Treatment Equip	1,966	677
Transm & Distribution Lines Expenses	11,664	8,019
Meter Expenses	2,559	285
Customer Installations Expenses	4,389	5,777
Transm & Distribution Lines - Misc Exp	0	0
Maintenance of Distrib Reservoirs & Stdp	390	238
Maintenance of Transm & Distrib Mains	4,936	5,538
Maintenance of Services	1,476	0
Maintenance of Meters	3,060	319
Maintenance of Hydrants	760	0
Meter Reading Expenses	1,003	4,070
Customer Records & Collection Expenses	26,777	20,692
Uncollectable Accounts	0	8
Office Supplies & Other Expenses	9,602	7,973
Outside Services - Engineering	22,826	63,634
Outside Services - Management Fees	75,000	74,995
Outside Services - Accounting	24,903	22,429
Outside Services - Legal	5,136	18,433
Injuries & Damages	12,415	7,720
Employee Pensions & Benefits	39,877	41,720
Franchise Requirements	3,830	3,752
Regulatory Commission Expenses	9,310	1,846
Misc General Expenses	1,131	1,773
Misc Expenses - Vehicle Expenses	9,850	7,850
General Rents	12,675	12,673
Total Expenses	731,988	637,195
Net Income (Loss)	78,463	(153,825)

HAMPSTEAD AREA WATER COMPANY INC
DW08-065
1604.01(a) (3)
2007 FEDERAL INCOME TAX RECONCILIATION

HAWC is a Subchapter S corporation and the income of the corporation is taxed at the shareholder level. Therefore no federal income tax is paid by HAWC.

HAMPSTEAD AREA WATER COMPANY INC
DW08-065
1604.01(a) (3)
2007 NEW HAMPSHIRE AND FEDERAL INCOME TAX FACTORS

HAWC is a Subchapter S corporation and the income of the corporation is taxed at the shareholder level. Therefore no federal income tax is paid by HAWC.

The tax factor for New Hampshire would be the 8.5% NH Business Profits Tax.

HAMPSTEAD AREA WATER CO.
CONSTRUCTION WORK IN PROGRESS
12/31/07

Date	Payee	Description	Amount	Meters\ RF Boxes	Inventory	Atkinson CC	Granite Village Well	Steeplechase	Black Rocks	DES Hydrology	New Billing Software	Website	Irongate	New MidPoint Well	Atkinson Hampstead Interconn.	Settlers Ridge New Wells	Fieldstone New Wells	Atkinson Storage Tank	Bryant Woods Well	Dearborne Well # 2	Sargent Woods
2/26/04	Lewis Dev.	500 RF Meters	45,575.00	45,575.00																	
3/12/04	Lewis Dev.	300 RF Meters	27,345.00	27,345.00																	
4/15/04	Lewis Dev.	300 RF Meters	27,345.00	27,345.00																	
12/12/04	Eagle Tribune	Ad	1,279.69				1,279.69														
12/31/04	Lewis Dev.	300 RF Meters	27,345.00	27,345.00																	
12/31/04	AE 2 - transfer 1,073 meters to systems		(97,803.95)	(97,803.95)																	
12/31/04	AE # 14	Reclass	5,135.00			5,135.00															
12/31/04	AE#39 - Transfer into service		(5,135.00)			(5,135.00)															
12/31/04	AE#52 - Reverse AE#39		5,135.00			5,135.00															
12/31/04	AE# 60 - Reclass legal		2,000.00				2,000.00														
12/31/04	AE# 61 - Reclass legal		650.00				650.00														
1/31/05	Lewis Dev # 4845	900 RF Boxes	82,035.00	82,035.00																	
3/3/05	Rock. Cty Reg Deeds	recording fees	40.00				40.00														
3/3/05	Rock. Cty Reg Deeds	recording fees	32.60				32.60														
4/5/05	Rock. Cty Reg Deeds	well easement	26.00				26.00														
8/29/05	RCRD		80.00				80.00														
8/29/05	RCRD		86.74				86.74														
11/15/05	Lewis Builders # 5464	500 rf boxes	48,500.00	48,500.00																	
11/30/05	LBD # 5489	100 rf boxes	9,700.00	9,700.00																	
12/31/05	AE # 31 - transfer 1678 units into service		(156,171.46)	(156,171.46)																	
1/1/06	LBD # 6034	100 rf boxes	9,115.00	9,115.00																	
3/23/06	RCRD	easement deed	32.39					32.39													
3/27/06	RCRD	tax stamp	40.00					40.00													
3/30/06	RCRD	easement deed	36.63						36.63												
3/30/06	RCRD	tax stamp	40.00						40.00												
4/4/06	Geosphere Environmental		2,746.50							2,746.50											
4/28/06	Lewis Builders # 6239	Engineering	1,216.51							1,216.51											
5/31/06	LBD # 6321	Engineering	493.53							493.53											
5/31/06	LBD # 6281	Engineering	157.80							157.80											
5/31/06	LBD # 6305	Legal	25.59							25.59											
5/31/06	LBD # 6306	Accounting	122.84								122.84	*									
5/31/06	LBD # 6308	Legal	153.54							153.54											
6/23/06	CUSI	# 3991	10,820.00								10,820.00										
6/23/06	CUSI	# 3992	3,200.00								3,200.00										
6/23/06	CUSI	# 3993	3,200.00								3,200.00										
6/26/06	RCRD		37.60					37.60													
6/29/09	C Pervy	Website	712.50									712.50									
6/30/06	LBD # 6339	Engineering	2,106.08							2,106.08											
6/30/06	LBD # 6342	Engineering	88.70							88.70											
6/30/06	LBD # 6349	Engineering	490.63							490.63											
6/30/06	LBD # 6352	Accounting	92.13							92.13											
6/30/06	LBD # 6353	Accounting	184.26								184.26										
6/30/06	LBD # 6358	Legal	1,060.96							1,060.96											
7/10/06	Lewis Builders Dev	express mail	28.75								28.75										
7/11/06	Bankone	Network Solutions	137.74									137.74									
7/19/06	Banknorth	wire transfer fee	0.00																		
7/25/06	Equipco	Data loggers	9,003.51							9,003.51											
7/31/06	LBD # 6402	Engineering	1,565.60							1,565.60											
7/31/06	LBD # 6403		727.33									727.33									
7/31/06	LBD # 6405	Accounting	675.62								675.62										
7/31/06	LBD # 6407	Legal	307.08							307.08											
8/31/06	LBD # 6449	Accounting	245.68								245.68										
8/31/06	LBD # 6456	Legal	293.88							293.88											
8/31/06	LBD # 6458	Legal	406.09							315.61			90.48								
8/31/06	LBD # 6462	Engineering	1,465.29							1,465.29											
8/31/06	LBD # 6463		441.84									441.84									
9/18/06	Hydroterra		1,475.00							1,475.00											
9/22/06	LBD # 6495	Engineering	238.15							238.15											
9/27/06	Cabelas		238.70							238.70											
9/30/06	LBD # 6525	data loggers	1,124.92							1,124.92											
9/30/06	Lewis Equipment	# 5593	1,841.55							1,841.55											
9/30/06	LBD # 6511	Engineering	1,083.67							1,083.67											
9/30/06	LBD # 6503	Legal	1,002.74							90.48	912.26										
9/30/06	LBD # 6504	Legal	149.58							149.58											
9/30/06	LBD # 6507	Acctg	2,088.28								2,088.28										
9/30/06	LBD # 6508	Acctg	61.42							61.42											
10/9/06	Amy Kneeland	mileage	28.03								28.03										
10/16/06	LBD # 6540	Eng	499.25							499.25											
10/30/06	Hydroterra		940.00							940.00											
10/31/06	C. Perry & Co.	website	687.50									687.50									

HAMPSTEAD AREA WATER CO.
CONSTRUCTION WORK IN PROGRESS
12/31/07

Date	Payee	Description	Amount	Meters\ RF Boxes	Inventory	Atkinson CC	Granite Village Well	Steeplechase	Black Rocks	DES Hydrology	New Billing Software	Website	Irongate	New MidPoint Well	Atkinson Hampstead Interconn.	Settlers Ridge New Wells	Fieldstone New Wells	Atkinson Storage Tank	Bryant Woods Well	Dearborne Well # 2	Sargent Woods
10/31/06	LBD # 6561	website	184.26									184.26									
10/31/06	LBD # 6579		1,270.93							1,270.93											
11/10/06	LBD # 6585		15.78									15.78									
11/10/06	LBD # 6584		568.08							568.08											
11/28/06	Ti-Sales	60 meters	10,677.64	10,677.64																	
11/30/06	LBD # 6617		1,160.58								1,160.58										
11/30/06	LBD # 6620		226.20								226.20										
11/30/06	LBD # 6623		189.36							189.36											
11/30/06	LBD # 6626		78.90									78.90									
11/30/06	LBD # 6615		120.64								120.64										
12/4/06	McKinney Artesian Well		6,885.00											6,885.00							
12/31/06	LBD # 6685		1,414.70								1,414.70										
12/31/06	LBD # 6675		648.44								648.44										
12/31/06	AE # 29 - Adjust to balance below		670.97	670.97																	
	Balance 12/31/06		110,241.49	34,333.20		5,135.00	4,195.03	109.99	76.63	31,354.03	25,076.28	2,985.85	90.48	6,885.00	0.00						
1/10/07	GS Analytical # 53590	pump test	150.00																		
1/10/07	GS Analytical # 53591	pump test	150.00										150.00								
1/12/07	GS Analytical # 53654	pump test	150.00										150.00								
1/17/07	C Perry & Co.	web site	40.00									40.00									
1/19/07	LBD # 6712	engineering	786.19							786.19											
1/19/07	LBD # 6719	set pump	242.42										242.42								
1/26/07	Hydroterra		4,055.00							4,055.00											
1/31/07	LBD # 6721	engineering	395.95							395.95											
1/31/07	LBD # 6725	accounting	453.89								453.89										
1/31/07	LBD # 6729		211.12								211.12										
2/5/07	GS Analytical # 53960		1,570.00										1,570.00								
2/6/07	CUSI	website/software	16,400.00								16,400.00										
2/9/07	GS Analytical # 54030	well # 9	210.00											210.00							
2/9/07	GS Analytical # 54031	well # 11	210.00											210.00							
2/9/07	GS Analytical # 54032	well # 12	210.00											210.00							
2/9/07	GS Analytical # 54033	well # 3	150.00											150.00							
2/28/07	LBD # 6776	engineering	2,218.09							2,218.09											
2/28/07	LBD # 6780	legal	1,390.54							1,390.54											
3/3/07	St Cyr	February	488.06												488.06						
3/5/07	McKinney Well	well # 1	4,305.00													4,305.00					
3/5/07	McKinney Well	well # 2	4,185.00													4,185.00					
3/15/07	LBD # 6816	engineering	1,906.36							1,906.36											
3/23/07	LBD # 6829	new roads	1,312.82			1,312.82															
3/26/07	McKinney Well # 5589	test well	4,485.00														4,485.00				
3/26/07	McKinney Well # 5590	test well	4,915.00														4,915.00				
3/30/07	McKinney Well # 5594	test well	3,615.00														3,615.00				
3/30/07	LBD # 6840	legal	743.68							743.68											
3/30/07	LBD # 6841	new roads	7,351.63																		
3/30/07	LBD # 6843	acctg	1,009.50										1,009.50								
3/30/07	LBD # 6871	engineering	157.20										157.20								
3/30/07	LBD # 6875	engineering	1,253.50							1,253.50											
3/31/07	Reclass 5/31/06 Invoice	ae # 17	(122.84)								(122.84) *										
3/31/07	Reclass CUSI software	ae # 18	(42,018.45)								(42,018.45)										
3/31/07	Reclass New Website	ae # 19	(4,192.55)									(4,192.55)									
4/25/07	LBD # 6882	engineering	381.97							381.97											
4/25/07	LBD # 6889	test well	415.50							415.50											
4/25/07	LBD # 6891	well road	2,170.16														2,170.16				
4/30/07	LBD # 6911	engineering	608.43							608.43											
4/30/07	LBD # 6916	legal/acctg	790.76																		
4/30/07	LBD # 6918	acctg	269.20															790.76			
4/30/07	LBD # 6919	engineering	86.45											269.20							
4/30/07	LBD # 6920	engineering	312.08											86.45							
4/30/07	LBD # 6921	engineering	806.04																312.08		
4/30/07	LBD # 6922	engineering	187.11																806.04		
4/30/07	LBD # 6923	engineering	2,089.78												187.11						
4/30/07	LBD # 6952	engineering	1,242.75																	2,089.78	
5/21/07	LBD # 5957	engineering	883.31							883.31					1,242.75						
5/31/07	LBD # 7014	engineering	162.81																		
5/31/07	LBD # 7015	engineering	485.66							485.66					162.81						
6/22/07	LBD # 7021	engineering	441.05							441.05											
6/22/07	LBD # 7024	engineering	1,948.04																		
6/26/07	Pump Systems Inc	inventory	17,877.78		17,877.78										1,948.04						
6/28/07	Pump Systems Inc	inventory	2,305.80		2,305.80																

HAMPSTEAD AREA WATER CO.
CONSTRUCTION WORK IN PROGRESS
12/31/07

Date	Payee	Description	Amount	Meters\ RF Boxes	Inventory	Atkinson CC	Granite Village Well	Steeplechase	Black Rocks	DES Hydrology	New Billing Software	Website	Irongate	New MidPoint Well	Atkinson Hampstead Interconn.	Settlers Ridge New Wells	Fieldstone New Wells	Atkinson Storage Tank	Bryant Woods Well	Dearborne Well # 2	Sargent Woods
6/29/07	Contoocook Well		6,373.00																		
6/30/07	St Cyr	June	51.38							51.38									6,373.00		
7/6/07	LBD # 7044		850.00																850.00		
7/19/07	Contoocook Well	well # 2	7,312.00																	7,312.00	
7/31/07	LBD # 7099		245.00																	245.00	
7/31/07	LBD # 7175	engineering	1,697.04							1,697.04											
7/31/07	LBD # 7179	engineering	1,994.55												1,994.55						
7/31/07	LBD # 7188	engineering	437.40																		437.40
8/23/07	LBD # 7100		190.00																	190.00	
8/30/07	Unitil	power	12,308.41																		
8/31/07	LBD # 7176	engineering	1,267.78							1,267.78							12,308.41				
8/31/07	LBD # 7180	engineering	698.21																		
8/31/07	LBD # 7204		16.53							16.53					698.21						
9/7/07	RCRD		4.00																		
9/28/07	LBD # 7233	engineering	1,102.25							1,102.25							4.00				
10/31/07	LBD # 7297	engineering	2,570.95							2,570.95											
11/30/07	Emery & Garrett	#7263	26,771.59							26,771.59											
11/30/07	Emery & Garrett	# 7264	5,641.68							5,641.68											
11/30/07	Emery & Garrett	# 7266	2,866.68							2,866.68											
11/30/07	Emery & Garrett	# 7265	4,704.19																		
11/30/07	LBD # 7365		4,590.35							4,590.35				4,704.19							
12/3/07	GS Analytical	# 59281	470.00																		
12/31/07	LBD # 7431		3,531.10							3,531.10							470.00				
12/31/07	AE # 4 - Reclass to meters		(17,157.93)	(17,157.93)																	
			0.00																		
Balance 12/31/07			230,629.44	17,175.27	20,183.58	6,447.82	4,195.03	109.99	76.63	97,426.59	0.00	0.00	2,352.90	12,369.19	7,077.18	8,490.00	35,319.20	3,998.66	7,223.00	7,747.00	437.40
Total Projected Cost				This is inventory		5,135	50,000	120,000	275,000	200,000			275,000	50,000	920,500	175,000	175,000	1,020,000	Complete	20,000	286,500
Estimated Completion Date				n/a		Jun-08	Jun-08	Mar-08	Dec-08	Jun-08	Complete	Complete	Apr-08	Jun-08	2009	Jun-08	Jun-08	2009		May-08	Apr-08
Number in inventory at 12/31/07:																					
Meters			12	\$	177.96		2,135.52														
RF Boxes			165	\$	91.15		15,039.75														
Total							17,175.27														

5/19/2008

HAMPSTEAD AREA WATER CO, INC.

1604.01 (a) (11)

MEMBERSHIP FEES & DUES

2007

<u>Date</u>	<u>Name</u>	<u>Amount</u>	<u>Description</u>
5/29/07	NH Well Water Board	100.00	Pump Installer License - Rich Bibeau (7/07 - 6/08)
10/5/07	American Water Works Association	392.00	Annual dues (2/08 - 1/09)
12/11/07	NH Water Works Association	297.50	Annual dues (11/07 - 10/08)

Invoice	Job	Original Invoice Amount	Amount Paid	Discount	Check	Check Date
New Hampsh Wat Wrl Bnd BIBEAU RENEWAL 05/29/07	N/A LICENSE #: 1743-RICH BIB	100.00	100.00		20854	05/29/2007

7/07-6/08

RECEIVED DEC 27 2007

New Hampshire Water Works Association
18 North Main Street, Suite 308
Concord NH 03301

12/11/2007

Invoice

11038

Bill to:

Rich Bibeau
Hampstead Area Water Co., Inc.
54 Sawyer Avenue
Atkinson NH 03811-2445

Annual Dues Nov. 1, 2007 - Oct. 31, 2008

	general dues	legislative dues
Utility Membership	\$75.00	\$222.50

Total Membership Dues

\$297.50

6/11/09 110926.00

Thank you for supporting your Association



**American Water Works
Association**

Authoritative Resource on Safe Water

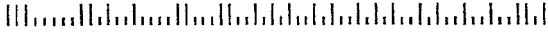
6960 West County Avenue
Denver, CO 80235-1008

Inquiries 1 800 426 7337
outside US 303.734.7711
Fax 303.247.0904
Email custserv@awwa.org

RECEIVED NOV 01 2007

ORDER INFORMATION		
Date	Number	
10/05/2007	2000603738	
Total Amount Due		Customer Number
		00055552
P.O. Number		
Shipped Via	Date Shipped	Due Date
		Net 30

0000155 01 MB 0.360 --AUTO T3 0 1095 03811-244554



#BWNCWZH

#00055552 6 #

Mr. Peter A. Lewis

Mr. Peter A. Lewis/co Amy Kneeland

Hampstead Area Water Co.

54 Sawyer Ave

Atkinson NH 03811-2445

Mr. Peter A. Lewis/co Amy Kneeland

Hampstead Area Water Co.

54 Sawyer Ave

Atkinson NH 03811-2498

REMITTANCE COPY - RETURN WITH PAYMENT

Quantity		Item No.	Description	Unit Price	Amount
Ordered	Shipped				
		AWWA DUES SECTION	FEBRUARY 01, 2008 - JANUARY 31, 2009 80 Utility: 0-5K CustSvc Con NEW NEWWA, A Section of AWWA		\$280.00 \$112.00
		VOLCON VOLCON RESEARCH	WFP VOLUNTARY Water/People Cont. WOL VOLUNTARY Scholarship Cont. 80 VOLUNTARY RF Support From Org.		\$1.00 \$1.00 \$145.00
			IMPORTANT - Submit payment with copy of invoice to: American Water Works Association PO Box 972997 Dallas TX 75397-2997	Mandatory Subtotal	\$392.00
				Shipping	
				Sales Tax/GST	
				Adjustments	

Thank you for your order! Your Association Services Representative was:

Thank you for continuing your AWWA membership. VOLCON (voluntary contribution) and RESEARCH amounts are optional. We look forward to serving you! Organizational members--change your Plus+Points allocation for Standards Subscriptions/Additional Actives on this form or call JoAnn (303.734.3453).

110930.00

Payment: ☐ Check (U.S. Funds only) ☐ VISA ☐ MasterCard ☐ American Express ☐ Discover Card

Card No.: _____ Exp. Date: _____ Signature: _____

5/19/2008

HAMPSTEAD AREA WATER CO., INC.
OFFICERS & DIRECTORS

1604.01 (a) (14)

Title	Name	Compensation	
		2007	2006
President	Harold Morse	0.00	0.00
Vice-President	Christine Lewis-Morse	0.00	0.00
Treasurer	Harold Morse	0.00	0.00
Secretary	Christine Lewis-Morse	0.00	0.00
Director	Christine Lewis-Morse	0.00	0.00

5/19/2008

HAMPSTEAD AREA WATER CO., INC.
VOTING STOCK

1604.01 (a) (15)

Authorized number of shares: 300
Number of shares outstanding: 100

<u>Shareholder Name</u>	<u>Title</u>	<u>Number of Shares Owned</u>
Christine Lewis-Morse	Vice-President, Director	100

5/19/2008

HAMPSTEAD AREA WATER COMPANY INC

1604.01 (a) (16)

**BALANCE SHEET
December 31, 2006****ASSETS****Current Assets:**

	<u>12/31/06</u>	<u>12/31/05</u>
Cash	8,437	19,585
Accounts Receivable	301,960	196,935
Prepayments	29,638	19,176
Misc Current & Accrued Assets	0	1,500
Deferred Expenses	64,753	68,408
Deferred Income Taxes	27,520	28,813
Total Current Assets	<u>432,308</u>	<u>334,417</u>

Fixed Assets:

Construction Work in Progress	110,241	135,423
Franchises	10,763	10,763
Land & Land Rights	76,185	22,171
Structures & Improvements	729,139	535,083
Wells & Springs	512,387	435,559
Supply Mains	17,481	11,434
Pumping Equipment	956,245	619,213
Water Treatment Equipment	390,514	272,424
Distribution Reserves & Standpipes	1,431,191	688,348
Transmission & Distribution Mains	3,698,568	3,291,915
Services	1,751,502	1,729,007
Meters & Meter Installation	692,523	664,938
Hydrants	80,056	67,273
Transportation Equipment	31,395	31,395
Tools Shop and Garage Equipment	1,926	1,926
Computer Equipment	13,038	13,038
Less: Accumulated Depreciation	(2,152,162)	(1,868,221)
Total Fixed Assets	<u>8,350,992</u>	<u>6,661,689</u>

Total Assets

<u>8,783,300</u>	<u>6,996,106</u>
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5/19/2008

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET
December 31, 2006****LIABILITIES AND EQUITY**

	<u>12/31/06</u>	<u>12/31/05</u>
Current Liabilities:		
Accounts Payable	88,429	15,208
Accts Pay to Associated Companies	1,102,647	1,033,358
Customer Deposits	0	0
Accrued Taxes, Utility Operating Inc	432	842
Accrued Taxes, Other Than Inc.	111	0
Accrued Interest	90,699	90,699
Misc Current & Accrued Liabilities	216	13,763
Injuries & Damages Reserve	0	0
Pensions & Benefits Reserve	1,205	1,443
Total Current Liabilities	<u>1,283,739</u>	<u>1,155,313</u>
Long-Term Liabilities:		
Notes Payable - Outside Parties	209,844	178,301
Notes Payable - NHDES (Smith Mtn Tank)	1,242,241	0
Notes Payable Lewis Builders Inc.	730,079	780,101
Notes Payable - Lewis Builders Development Inc	802,022	593,968
CIAC	6,337,208	5,924,525
Accum Amortization of CIAC	(1,489,999)	(1,330,359)
Total Long-Term Liabilities	<u>7,831,394</u>	<u>6,146,536</u>
Stockholders' Equity:		
Common Stock	20,100	20,100
Other Paid In Capital	1,078,401	1,078,401
Retained Earnings	(1,400,912)	(1,172,899)
Reacquired Capital Stock	(3,333)	(3,333)
Net Income (Loss)	(26,089)	(228,013)
Stockholders' Equity	<u>(331,833)</u>	<u>(305,744)</u>
Total Liabilities and Stockholders Equity	<u><u>8,783,300</u></u>	<u><u>6,996,106</u></u>

5/19/2008

HAMPSTEAD AREA WATER COMPANY INC**INCOME STATEMENT****FOR THE YEARS ENDED DECEMBER 31, 2006, 2005 AND 2004****Revenue:**

	12/31/06	12/31/05	12/31/04
Metered Sales to Residential Customers	1,031,980	647,532	623,115
Other Water Revenue	44,797	51,531	23,914
Total Revenue	1,076,777	699,064	647,029

Expenses:

Depreciation	285,500	235,254	91,926
Amortization of CIAC	(160,329)	(140,667)	(34,333)
Property Taxes	102,789	38,164	28,222
Other Taxes & Licenses	153	(66)	(359)
State Income Taxes, Utility Oper Inc	2,398	2,941	473
Provision for Deferred Income Taxes	1,293	1,293	1,293
Misc Nonutility Expenses	0	0	26,962
Interest on Debt to Assoc Companies	109,599	71,458	37,060
Interest on Long-term Debt	18,730	5,669	5,584
Labor on Outside Jobs	16,502	21,562	9,074
Well - Operation Labor & Expenses	1,959	333	1,246
Well - Misc Expenses	0	167	637
Well - Maintenance Supervision & Eng.	0	0	50
Well - Maintenance of Structures\Improv	675	0	521
Maintenance of Wells & Springs	1,381	1,444	941
Power Purchased for Pumping	160,036	121,232	124,038
Pumping Labor & Expenses	24,729	21,620	27,741
Pumping - Misc Expenses	24,257	17,160	12,527
Pumps - Maintenance of Structures\Imp	8,534	8,477	11,373
Maintenance of Pumping Equipment	3,964	3,729	2,859
Chemicals	11,072	9,279	6,264
Treatment - Operation Labor & Expenses	83,276	79,294	78,605
Maintenance of Water Treatment Equip	2,476	560	662
Transm & Distribution Lines Expenses	16,371	13,301	14,649
Meter Expenses	1,458	285	3,553
Customer Installations Expenses	5,164	6,798	9,363
Transm & Distribution Lines - Misc Exp	0	0	2,849
Maintenance of Distrib Reservoirs & Stdp	598	327	142
Maintenance of Transm & Distrib Mains	5,861	7,250	18,293
Maintenance of Services	4,697	0	0
Maintenance of Meters	3,553	1,281	2,260
Maintenance of Hydrants	760	0	158
Meter Reading Expenses	2,129	5,510	10,795
Customer Records & Collection Expenses	34,461	31,266	40,381
Uncollectable Accounts	0	2,350	1,709
Office Supplies & Other Expenses	21,283	18,430	13,532
Outside Services - Engineering	27,813	88,519	104,611
Outside Services - Management Fees	100,000	100,000	85,596
Outside Services - Accounting	34,829	27,984	17,068
Outside Services - Legal	14,956	21,223	24,341
Injuries & Damages	17,974	11,745	4,598
Employee Pensions & Benefits	48,803	52,674	20,124
Franchise Requirements	3,830	4,273	5,446
Regulatory Commission Expenses	28,980	4,934	0
Misc General Expenses	1,012	2,593	1,211
Misc Expenses - Vehicle Expenses	12,438	10,529	22,219
General Rents	16,900	16,900	24,485
Total Expenses	1,102,866	927,076	860,750
Net Income (Loss)	(26,089)	(228,013)	(213,721)

5/19/2008

HAMPSTEAD AREA WATER COMPANY INC

BALANCE SHEET

December 31, 2005

ASSETS

Current Assets:

Cash	19,585
Accounts Receivable	196,935
Prepayments	19,176
Misc Current & Accrued Assets	1,500
Deferred Rate Case Expenses	68,408
Deferred Income Taxes	28,813
Total Current Assets	334,417

Fixed Assets:

Construction Work in Progress	135,423	
Franchises	10,763	
Land & Land Rights	22,171	
Structures & Improvements	535,083	
Wells & Springs	435,559	
Supply Mains	11,434	
Pumping Equipment	619,213	
Water Treatment Equipment	272,424	
Distribution Reserves & Standpipes	688,348	
Transmission & Distribution Mains	3,291,915	
Services	1,729,007	
Meters & Meter Installation	664,938	
Hydrants	67,273	
Transportation Equipment	31,395	
Tools and Equipment	1,926	
Computer Equipment	13,038	
Less: Accumulated Depreciation	(1,868,221)	
Total Fixed Assets		6,661,689

Total Assets

6,996,106

5/19/2008

HAMPSTEAD AREA WATER COMPANY INC**BALANCE SHEET****December 31, 2005****LIABILITIES AND EQUITY****Current Liabilities:**

Accounts Payable	15,208	
Accts Pay to Associated Companies	1,033,358	
Customer Deposits	0	
Accrued Taxes, Utility Operating Inc	842	
Accrued Taxes, Other Than Inc.	0	
Accrued Interest	90,699	
Misc Current & Accrued Liabilities	13,763	
Injuries & Damages Reserve	0	
Pensions & Benefits Reserve	1,443	
Total Current Liabilities	<u>1,155,313</u>	

Long-Term Liabilities:

NIP - Brown, Olsen & Wilson	55,301	
NIP - Picadilly Dev - Eastwood Place	23,000	
NIP - Edgeworth Dev - Putnam Place	22,000	
NIP - Ten Powder - Waterford Village	40,000	
NIP - Skipper - Millwoods	38,000	
NIP - LBI - WR # 1	69,880	
NIP - LBI - WR # 2	133,245	
NIP - LBI - Lancaster Farm	24,509	
NIP - LBI - Bricketts Mill	38,596	
NIP - LBI - HAWC	210,513	
NIP - LBI - Kent Farm	19,000	
NIP - LBI - Stoneford	56,133	
NIP - LBI - Colby	207,939	
NIP - LBI - Oak Hill	20,286	
NIP - LEC - 3 Vehicles	0	
NIP - LBD - Cricket Hill	126,674	
NIP - LBD - Bartlett Brook	188,457	
NIP - LBD - Cogswell Farm	123,121	
NIP - LBD - Settlers Ridge	155,716	
CIAC	5,924,525	
Accum Amortization of CIAC	<u>(1,330,359)</u>	6,146,536

Stockholders' Equity:

Common Stock	20,100	
Other Paid In Capital	1,078,401	
Reacquired Capital Stock	(3,333)	
Retained Earnings	(1,172,899)	
Net Income (Loss)	<u>(228,013)</u>	(305,744)

Total Liabilities and Stockholders Equity6,996,106

HAMPSTEAD AREA WATER COMPANY INC

5/19/2008

INCOME STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2005

Revenue:	12/31/05		12/31/04
Metered Sales to Residential Customers	647,532		623,115
Other Water Revenue	51,531		23,914
Total Revenue	699,064		647,029
Expenses:			
Depreciation	235,254		91,926
Amortization of CIAC	(140,667)		(34,333)
Property Taxes	38,164		28,222
Other Taxes & Licenses	(66)		(359)
State Income Taxes, Utility Oper Inc	2,941		473
Provision for Deferred Income Taxes	1,293		1,293
Interest on Debt to Assoc Companies	71,458		37,060
Interest on Long-term Debt	5,669		5,584
Labor on Outside Jobs	21,562		9,074
Well - Operation Labor & Expenses	333		1,246
Well - Misc Expenses	167		637
Well - Maintenance Supervision & Eng.	0		50
Well - Maintenance of Structures\Improv	0		521
Maintenance of Wells & Springs	1,444		941
Power Purchased for Pumping	121,232		124,038
Pumping Labor & Expenses	21,620		27,741
Pumping - Misc Expenses	17,160		12,527
Pumps - Maintenance of Structures\Imp	8,477		11,373
Maintenance of Pumping Equipment	3,729		2,859
Chemicals	9,279		6,264
Treatment - Operation Labor & Expenses	79,294		78,605
Maintenance of Water Treatment Equip	560		662
Transm & Distribution Lines Expenses	13,301		14,649
Meter Expenses	285		3,553
Customer Installations Expenses	6,798		9,363
Transm & Distribution Lines - Misc Exp	0		2,849
Maintenance of Distrib Reservoirs & Stdp	327		142
Maintenance of Transm & Distrib Mains	7,250		18,293
Maintenance of Meters	1,281		2,260
Maintenance of Hydrants	0		158
Meter Reading Expenses	5,510		10,795
Customer Records & Collection Expenses	31,266		40,381
Uncollectable Accounts	2,350		1,709
Office Supplies & Other Expenses	18,430		13,532
Outside Services - Engineering	88,519		104,611
Outside Services - Management Fees	100,000		85,596
Outside Services - Accounting	27,984		17,068
Outside Services - Legal	21,223		24,341
Injuries & Damages	11,745		4,598
Employee Pensions & Benefits	52,674		20,124
Franchise Requirements	4,273		5,446
Regulatory Commission Expenses	4,934		26,962
Misc General Expenses	2,593		1,211
Misc Expenses - Vehicle Expenses	10,529		22,219
General Rents	16,900		24,485
Total Expenses	927,076		860,750
Net Income (Loss)	(228,013)	-32.6%	(213,721) -33.0%

5/19/2008

HAMPSTEAD AREA WATER COMPANY INC

BALANCE SHEET

December 31, 2004

ASSETS

Current Assets:

Cash	39,896
Accounts Receivable	172,241
Prepayments	13,922
Misc Current & Accrued Assets	1,500
Deferred Rate Case Expenses	22,931
Deferred Income Taxes	30,106
Total Current Assets	<u>280,597</u>

Fixed Assets:

Construction Work in Progress	51,261	
Franchises	0	
Land & Land Rights	21,715	
Structures & Improvements	422,722	
Wells & Springs	322,575	
Supply Mains	0	
Pumping Equipment	475,056	
Water Treatment Equipment	175,266	
Distribution Reserves & Standpipes	358,625	
Transmission & Distribution Mains	1,475,213	
Services	507,229	
Meters & Meter Installation	286,256	
Hydrants	17,500	
Transportation Equipment	31,395	
Computer Equipment	12,499	
Less: Accumulated Depreciation	<u>(713,982)</u>	
Total Fixed Assets		3,443,331

Total Assets

3,723,928

5/19/2008

HAMPSTEAD AREA WATER COMPANY INC

BALANCE SHEET

December 31, 2004

LIABILITIES AND EQUITY

Current Liabilities:

Accounts Payable	17,357	
Accts Pay to Associated Companies	662,840	
Customer Deposits	0	
Accrued Taxes, Utility Operating Inc	0	
Accrued Taxes, Other Than Inc.	2,273	
Accrued Interest	90,699	
Misc Current & Accrued Liabilities	1,853	
Injuries & Damages Reserve	4,638	
Pensions & Benefits Reserve	6,010	
Total Current Liabilities		<u>785,670</u>

Long-Term Liabilities:

N\P - Brown, Olsen & Wilson	57,582	
N\P - LBI - WR # 1	95,524	
N\P - LBI - WR # 2	133,245	
N\P - LBI - Lancaster Farm	30,589	
N\P - LBI - Bricketts Mill	38,596	
N\P - LBI - HAWC	215,103	
N\P - LBI - Kent Farm	19,000	
N\P - LBI - Stoneford	61,427	
N\P - LBI - Colby	210,655	
N\P - LBI - Oak Hill	20,286	
N\P - LEC - 3 Vehicles	14,502	
N\P - LBD - Bartlett Brook	190,895	
N\P - LBD - Cogswell Farm	124,714	
N\P - LBD - Settlers Ridge	157,730	
CIAC	2,023,361	
Accum Amortization of CIAC	<u>(152,221)</u>	3,240,988

Stockholders' Equity:

Common Stock	20,100	
Other Paid In Capital	853,401	
Reacquired Capital Stock	(3,333)	
Retained Earnings	(959,178)	
Net Income (Loss)	<u>(213,721)</u>	(302,731)

Total Liabilities and Stockholders Equity

3,723,928

5/19/2008

HAMPSTEAD AREA WATER COMPANY INC

INCOME STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2004

Revenue:

Metered Sales to Residential Customers
Other Water Revenue
Total Revenue

Expenses:

Depreciation
Amortization of CIAC
Property Taxes
Other Taxes & Licenses
State Income Taxes, Utility Oper Inc
Provision for Deferred Income Taxes
Interest on Debt to Assoc Companies
Interest on Long-term Debt
Labor on Outside Jobs
Well - Operation Labor & Expenses
Well - Misc Expenses
Well - Maintenance Supervision & Eng.
Well - Maintenance of Structures\Improv
Maintenance of Wells & Springs
Power Purchased for Pumping
Pumping Labor & Expenses
Pumping - Misc Expenses
Pumps - Maintenance of Structures\Imp
Maintenance of Pumping Equipment
Chemicals
Treatment - Operation Labor & Expenses
Maintenance of Water Treatment Equip
Transm & Distribution Lines Expenses
Meter Expenses
Customer Installations Expenses
Transm & Distribution Lines - Misc Exp
Maintenance of Distrib Reservoirs & Stdp
Maintenance of Transm & Distrib Mains
Maintenance of Meters
Maintenance of Hydrants
Meter Reading Expenses
Customer Records & Collection Expenses
Uncollectable Accounts
Office Supplies & Other Expenses
Outside Services - Engineering
Outside Services - Management Fees
Outside Services - Accounting
Outside Services - Legal
Injuries & Damages
Employee Pensions & Benefits
Franchise Requirements
Regulatory Commission Expenses
Misc General Expenses
Misc Expenses - Vehicle Expenses
General Rents

Total Expenses**Net Income (Loss)**

2,617	30	158	223	50	15	75	84	1,034	741	19	58	74	56	
Total	Bricketts Mill	Colby Pond	Kent Farm	Oak Hill	Rainbow Ridge	Stoneford	Lancaster Farm	Walnut Ridge	Hampstead Core	Camelot Court	Cornerstone	Cricket Hill	Lamplighter	Outside Jobs
623,115	22,030	53,557	52,279	16,436	6,285	18,337	20,529	267,011	163,871	0	0	2,779	0	0
23,914	0	0	0	0	0	0	0	9,765	0	0	0	0	0	14,149
647,029	22,030	53,557	52,279	16,436	6,285	18,337	20,529	276,776	163,871	0	0	2,779	0	14,149
91,926	1,201	10,372	3,141	4,062	56	3,488	2,540	36,006	17,763	2,898	6,352	125	3,922	
(34,333)	(308)	(529)	(985)	(3,081)	0	(281)	(328)	(10,411)	(6,120)	(2,731)	(5,984)	0	(3,575)	
28,222	447	2,438	2,738	2,039	26	7	2,156	9,847	8,174	32	99	126	95	
(359)	1	6	9	2	1	3	3	40	(431)	1	2	3	2	
473	5	29	40	9	3	14	15	187	134	3	10	13	10	
1,293	0	0	830	0	0	0	0	100	363	0	0	0	0	
37,060	9	12,039	68	15	5	3,609	1,989	6,758	12,505	6	18	22	17	
5,584	0	0	5,584	0	0	0	0	0	0	0	0	0	0	
9,074	0	0	0	0	0	0	0	0	0	0	0	0	0	9,074
1,246	0	230	0	0	98	0	0	108	548	0	76	108	78	
637	77	0	17	17	17	0	225	34	176	0	17	50	8	
50	0	0	0	0	0	0	0	0	50	0	0	0	0	
521	0	0	0	102	0	19	0	326	74	0	0	0	0	
941	0	0	0	0	0	27	40	739	135	0	0	0	0	
124,038	2,520	6,233	4,680	1,128	314	1,870	2,242	57,277	40,472	1,196	1,866	2,688	1,553	
27,741	901	578	427	1,765	1,441	1,788	133	6,659	7,251	948	1,843	2,216	1,791	
12,527	0	40	142	0	0	0	0	9,847	2,255	218	0	25	0	
11,373	414	704	34	598	432	543	223	1,982	5,767	0	188	259	229	
2,859	494	0	54	167	51	0	0	1,158	836	16	84	0	0	
6,264	548	769	294	6	117	70	26	2,956	1,421	28	22	6	2	
78,605	2,313	4,071	3,518	740	1,087	1,105	3,355	34,398	23,812	1,476	683	1,207	840	
662	27	0	0	0	0	103	0	71	381	0	80	0	0	
14,649	272	226	709	282	214	329	421	4,677	5,691	615	359	482	373	
3,553	0	0	109	0	0	14	0	106	3,324	0	0	0	0	
9,363	201	182	235	62	219	102	374	4,830	2,844	184	54	76	0	
2,849	0	0	0	0	0	0	0	1,431	1,418	0	0	0	0	
142	0	0	0	0	0	0	0	83	0	59	0	0	0	
18,293	0	0	377	27	0	0	0	11,074	6,444	108	182	27	54	
2,260	113	57	40	8	126	0	109	294	1,488	0	0	24	0	
158	0	0	0	0	0	0	0	158	0	0	0	0	0	
10,795	10	74	430	69	10	55	361	4,407	5,147	74	111	0	48	
40,381	175	920	1,298	291	87	437	1,439	16,887	17,644	111	338	431	326	
1,709	61	147	472	0	35	285	61	82	567	0	0	0	0	
13,532	80	369	658	117	40	199	420	4,543	6,558	50	149	202	147	
104,611	1,534	6,166	9,001	1,928	787	3,206	240	44,514	28,220	1,224	2,664	2,818	2,308	
85,596	1,004	5,290	7,466	1,674	502	2,511	2,755	32,655	24,808	636	1,942	2,477	1,875	
17,068	355	1,361	1,845	521	124	674	298	3,455	6,132	371	534	827	571	
24,341	486	2,558	3,611	810	243	1,214	5	64	11,998	308	939	1,198	907	
4,598	66	236	307	96	48	109	127	1,836	1,197	56	113	112	85	209
20,124	243	1,196	1,678	374	115	556	638	7,999	5,665	151	444	552	415	97
5,446	321	411	456	335	161	353	359	1,125	820	73	341	352	339	
26,962	309	1,628	2,298	515	155	773	865	10,653	7,634	196	598	762	577	
1,211	8	43	61	14	4	20	23	703	280	5	16	20	15	
22,219	109	575	812	182	55	273	306	16,454	2,698	69	211	269	204	
24,485	112	589	831	186	56	279	868	10,197	10,596	71	216	276	209	
860,750	14,108	59,007	53,283	15,058	6,627	23,755	22,287	336,307	266,742	8,452	14,567	17,754	13,423	9,380
(213,721)	7,922	(5,449)	(1,005)	1,378	(342)	(5,418)	(1,758)	(59,531)	(102,870)	(8,452)	(14,567)	(14,975)	(13,423)	4,769
-33.0%	36.0%	-10.2%	-1.9%	8.4%	-5.4%	-29.5%	-8.6%	-21.5%	-62.8%			-538.8%		33.7%

HAMPSTEAD AREA WATER CO., INC.**PAYMENTS IN EXCESS OF \$10,000****2007**

<u>Name</u>	<u>Total Paid</u>	<u>Description of Services</u>
Lewis Builders Development Inc	550,456	Construction services, note payments
Lewis Builders Inc	127,179	Note payments
Unitil	115,242	Electric service
Natgun Corp	69,364	Construction services
PSNH	56,911	Electric service
Granite State Analytical Inc	35,243	Testing services
Continental Utility Solutions	33,857	Computer services
Pump Systems Inc	27,612	Pumping equipment
Peerless Insurance	22,405	Insurance
McKinney Artesian Well & Pump	21,505	Wells
Anthem Blue Cross Blue Shield	18,202	Health Insurance
Lewis Equipment Co., Inc.	16,231	Construction services
Dean Howard	15,235	Note payments
Platinum Plus for Business	15,098	Various (credit card)
Contoocook Artesian Well Co	13,685	Wells
Hampstead Print & Copy	12,413	Printing supplies\services
Ti-Sales Inc	11,759	Pumping equipment
Stephen St Cyr & Associates	11,107	Accounting services
NH Electric Coop	10,836	Electric service
D & P Swimming Pool	10,152	Chemicals

HAMPSTEAD AREA WATER COMPANY INC**INCOME STATEMENT****FOR THE YEARS ENDED DECEMBER 31, 2006, 2005 AND 2004**

	12/31/06	12/31/05	12/31/04
Revenue:			
Metered Sales to Residential Customers	1,031,980	647,532	623,115
Other Water Revenue	44,797	51,531	23,914
Total Revenue	1,076,777	699,064	647,029
Expenses:			
Depreciation	285,500	235,254	91,926
Amortization of CIAC	(160,329)	(140,667)	(34,333)
Property Taxes	102,789	38,164	28,222
Other Taxes & Licenses	153	(66)	(359)
State Income Taxes, Utility Oper Inc	2,398	2,941	473
Provision for Deferred Income Taxes	1,293	1,293	1,293
Misc Nonutility Expenses	0	0	26,962
Interest on Debt to Assoc Companies	109,599	71,458	37,060
Interest on Long-term Debt	18,730	5,669	5,584
Labor on Outside Jobs	16,502	21,562	9,074
Well - Operation Labor & Expenses	1,959	333	1,246
Well - Misc Expenses	0	167	637
Well - Maintenance Supervision & Eng.	0	0	50
Well - Maintenance of Structures\Improv	675	0	521
Maintenance of Wells & Springs	1,381	1,444	941
Power Purchased for Pumping	160,036	121,232	124,038
Pumping Labor & Expenses	24,729	21,620	27,741
Pumping - Misc Expenses	24,257	17,160	12,527
Pumps - Maintenance of Structures\Imp	8,534	8,477	11,373
Maintenance of Pumping Equipment	3,964	3,729	2,859
Chemicals	11,072	9,279	6,264
Treatment - Operation Labor & Expenses	83,276	79,294	78,605
Maintenance of Water Treatment Equip	2,476	560	662
Transm & Distribution Lines Expenses	16,371	13,301	14,649
Meter Expenses	1,458	285	3,553
Customer Installations Expenses	5,164	6,798	9,363
Transm & Distribution Lines - Misc Exp	0	0	2,849
Maintenance of Distrib Reservoirs & Stdp	598	327	142
Maintenance of Transm & Distrib Mains	5,861	7,250	18,293
Maintenance of Services	4,697	0	0
Maintenance of Meters	3,553	1,281	2,260
Maintenance of Hydrants	760	0	158
Meter Reading Expenses	2,129	5,510	10,795
Customer Records & Collection Expenses	34,461	31,266	40,381
Uncollectable Accounts	0	2,350	1,709
Office Supplies & Other Expenses	21,283	18,430	13,532
Outside Services - Engineering	27,813	88,519	104,611
Outside Services - Management Fees	100,000	100,000	85,596
Outside Services - Accounting	34,829	27,984	17,068
Outside Services - Legal	14,956	21,223	24,341
Injuries & Damages	17,974	11,745	4,598
Employee Pensions & Benefits	48,803	52,674	20,124
Franchise Requirements	3,830	4,273	5,446
Regulatory Commission Expenses	28,980	4,934	0
Misc General Expenses	1,012	2,593	1,211
Misc Expenses - Vehicle Expenses	12,438	10,529	22,219
General Rents	16,900	16,900	24,485
Total Expenses	1,102,866	927,076	860,750
Net Income (Loss)	(26,089)	(228,013)	(213,721)

10/31/2006

HAMPSTEAD AREA WATER COMPANY INC**INCOME STATEMENT****FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2006 AND 2005****Revenue:**

Metered Sales to Residential Customers

Other Water Revenue

Total Revenue**9/30/06****9/30/05**

787,508

452,773

22,944

30,597

810,452

483,370

Expenses:

Depreciation

Amortization of CIAC

Property Taxes

Other Taxes & Licenses

State Income Taxes, Utility Oper Inc

Provision for Deferred Income Taxes

Misc Nonutility Expenses

Interest on Debt to Assoc Companies

Interest on Long-term Debt

Labor on Outside Jobs

Well - Operation Labor & Expenses

Well - Misc Expenses

Well - Maintenance Supervision & Eng.

Well - Maintenance of Structures\Improv

Maintenance of Wells & Springs

Power Purchased for Pumping

Pumping Labor & Expenses

Pumping - Misc Expenses

Pumps - Maintenance of Structures\Imp

Maintenance of Pumping Equipment

Chemicals

Treatment - Operation Labor & Expenses

Maintenance of Water Treatment Equip

Transm & Distribution Lines Expenses

Meter Expenses

Customer Installations Expenses

Transm & Distribution Lines - Misc Exp

Maintenance of Distrib Reservoirs & Stdp

Maintenance of Transm & Distrib Mains

Maintenance of Services

Maintenance of Meters

Maintenance of Hydrants

Meter Reading Expenses

Customer Records & Collection Expenses

Uncollectable Accounts

Office Supplies & Other Expenses

Outside Services - Engineering

Outside Services - Management Fees

Outside Services - Accounting

Outside Services - Legal

Injuries & Damages

Employee Pensions & Benefits

Franchise Requirements

Regulatory Commission Expenses

Misc General Expenses

Misc Expenses - Vehicle Expenses

General Rents

Total Expenses**Net Income (Loss)**

187,875

104,890

(115,272)

(43,023)

38,193

14,736

153

102

66

562

970

970

0

0

78,374

44,756

10,329

4,054

11,295

14,781

1,875

121

0

141

0

0

0

0

1,262

1,411

118,124

89,655

16,876

16,514

15,332

12,126

6,704

4,317

3,763

3,377

8,757

3,265

61,778

54,018

1,966

677

11,664

8,019

2,559

285

4,389

5,777

0

0

390

238

4,936

5,538

1,476

0

3,060

319

760

0

1,003

4,070

26,777

20,692

0

8

9,602

7,973

22,826

63,634

75,000

74,995

24,903

22,429

5,136

18,433

12,415

7,720

39,877

41,720

3,830

3,752

9,310

1,846

1,131

1,773

9,850

7,850

12,675

12,673

731,988

637,195

78,463

(153,825)

8/16/2006

HAMPSTEAD AREA WATER COMPANY INC**INCOME STATEMENT****FOR THE SIX MONTHS ENDED JUNE 30, 2006 AND 2005**

Revenue:	6/30/06	6/30/05
Metered Sales to Residential Customers	478,226	247,069
Other Water Revenue	17,075	14,898
Total Revenue	495,302	261,967
Expenses:		
Depreciation	125,250	69,927
Amortization of CIAC	(76,848)	(28,682)
Property Taxes	25,609	4,423
Other Taxes & Licenses	0	102
State Income Taxes, Utility Oper Inc	66	562
Provision for Deferred Income Taxes	647	647
Misc Nonutility Expenses	0	0
Interest on Debt to Assoc Companies	46,770	26,337
Interest on Long-term Debt	8,545	2,716
Labor on Outside Jobs	5,569	9,986
Well - Operation Labor & Expenses	1,850	121
Well - Misc Expenses	0	0
Well - Maintenance Supervision & Eng.	0	0
Well - Maintenance of Structures\Improv	0	0
Maintenance of Wells & Springs	1,161	738
Power Purchased for Pumping	71,396	50,846
Pumping Labor & Expenses	11,830	9,115
Pumping - Misc Expenses	10,880	7,430
Pumps - Maintenance of Structures\Imp	5,171	3,855
Maintenance of Pumping Equipment	3,570	1,958
Chemicals	3,116	3,265
Treatment - Operation Labor & Expenses	38,960	29,206
Maintenance of Water Treatment Equip	1,862	360
Transm & Distribution Lines Expenses	7,683	4,960
Meter Expenses	300	285
Customer Installations Expenses	2,507	3,334
Transm & Distribution Lines - Misc Exp	0	0
Maintenance of Distrib Reservoirs & Stdp	220	40
Maintenance of Transm & Distrib Mains	3,717	3,698
Maintenance of Meters	2,707	125
Maintenance of Hydrants	0	0
Meter Reading Expenses	597	2,779
Customer Records & Collection Expenses	19,115	11,530
Uncollectable Accounts	0	0
Office Supplies & Other Expenses	4,994	2,780
Outside Services - Engineering	18,379	38,767
Outside Services - Management Fees	50,000	50,000
Outside Services - Accounting	21,114	16,307
Outside Services - Legal	4,153	17,357
Injuries & Damages	8,911	4,057
Employee Pensions & Benefits	30,197	31,452
Franchise Requirements	0	3,731
Regulatory Commission Expenses	6,656	0
Misc General Expenses	841	1,166
Misc Expenses - Vehicle Expenses	5,718	5,463
General Rents	8,450	8,450
Total Expenses	481,661	399,193
Net Income (Loss)	13,640	(137,226)

HAMPSTEAD AREA WATER COMPANY INC

4/20/2006

INCOME STATEMENT

FOR THE THREE MONTHS ENDED MARCH 31, 2006

Revenue:	3/31/06	3/31/05
Metered Sales to Residential Customers	193,402	85,377
Other Water Revenue	7,589	4,924
Total Revenue	200,992	90,301
Expenses:		
Depreciation	62,625	34,963
Amortization of CIAC	(38,424)	(14,341)
Property Taxes	9,693	(1,441)
Other Taxes & Licenses	0	102
State Income Taxes, Utility Oper Inc	66	0
Provision for Deferred Income Taxes	323	323
Interest on Debt to Assoc Companies	22,161	13,359
Interest on Long-term Debt	8,473	1,365
Labor on Outside Jobs	4,757	3,362
Well - Operation Labor & Expenses	1,719	25
Well - Misc Expenses	0	0
Well - Maintenance Supervision & Eng.	0	0
Well - Maintenance of Structures\Improv	0	0
Maintenance of Wells & Springs	413	499
Power Purchased for Pumping	31,753	20,246
Pumping Labor & Expenses	5,709	4,420
Pumping - Misc Expenses	6,657	3,215
Pumps - Maintenance of Structures\Imp	2,868	3,081
Maintenance of Pumping Equipment	1,123	1,635
Chemicals	0	3,265
Treatment - Operation Labor & Expenses	19,677	13,192
Maintenance of Water Treatment Equip	1,168	185
Transm & Distribution Lines Expenses	3,109	1,865
Meter Expenses	300	285
Customer Installations Expenses	815	1,416
Transm & Distribution Lines - Misc Exp	0	0
Maintenance of Distrib Reservoirs & Stdp	0	0
Maintenance of Transm & Distrib Mains	1,460	1,232
Maintenance of Meters	590	61
Maintenance of Hydrants	0	0
Meter Reading Expenses	272	1,085
Customer Records & Collection Expenses	8,698	3,853
Uncollectable Accounts	0	0
Office Supplies & Other Expenses	2,125	1,679
Outside Services - Engineering	12,121	24,296
Outside Services - Management Fees	25,000	25,000
Outside Services - Accounting	15,001	10,325
Outside Services - Legal	2,028	11,466
Injuries & Damages	3,046	951
Employee Pensions & Benefits	19,086	20,583
Franchise Requirements	0	0
Regulatory Commission Expenses	4,003	0
Misc General Expenses	446	404
Misc Expenses - Vehicle Expenses	3,601	2,221
General Rents	4,225	4,225
Total Expenses	246,690	198,402
Net Income (Loss)	(45,698)	(108,101)
	-22.7%	-119.7%

HAMPSTEAD AREA WATER CO., INC

QUARTERLY INCOME COMPARISONS

	<u>January - March</u>	<u>April - June</u>	<u>July - September</u>	<u>October - December</u>	<u>Totals</u>
2008:					
Revenue	291,156				291,156
Net Income (Loss)	(24,653)				(24,653)
2007:					
Revenue	268,901	315,888	389,175	294,913	1,268,877
Net Income (Loss)	(27,236)	4,330	68,047	(32,074)	13,067
2006:					
Revenue	200,992	294,310	315,150	266,325	1,076,777
Net Income (Loss)	(45,698)	59,338	64,823	(104,552) *	(26,089)
2005:					
Revenue	90,301	171,666	221,403	215,694	699,064
Net Income (Loss)	(108,101)	(29,125)	(16,599)	(74,188)	(228,013)
2004:					
Revenue					647,029
Net Income (Loss)					(213,721)

HAMPSTEAD AREA WATER COMPANY INC

DW08-065

1604.01(a) (21)

CAPITAL NEEDS

See HAWC DW08-033 – “Petition for Approval of Financing” for the projected need for external capital.

HAMPSTEAD AREA WATER COMPANY INC
DW08-065
1604.01(a) (22)
PROJECTED CAPITAL BUDGET

See HAWC DW08-033 – “Petition for Approval of Financing” for the projected capital budget.

In addition to the above petition HAWC has received approval for a DWSRF loan in the amount of approximately \$920,000 to interconnect its Atkinson and Hampstead “Core” systems. HAWC has also received approval for a SIG grant from NH DES in the amount of \$312,840 for this interconnection project.

HAWC is currently in the process of preparing a petition for the PUC to approve the borrowing on this interconnection.