

Lakes Region Water Co., Inc
Year Ended December 31, 2009

Schedule of Notes Payable, Accrued Interest, Interest Expense & Capitalized Interest

Obligation (a)	Date of Issue (b)	Original Amount (c)	Date of Maturity (d)	Principal Balance 12/31/2008 (e)	Additions (f)	Reductions (g)	Balance 12/31/2009 (h)	% Rate (i)	Accrued 12/31/2008 (j)	Incurred a/c #427 (k)	Interest Paid (l)	Accrued 12/31/2009 (m)
Pre2010 Unapproved Debt												
N/P Citizens 2007 Sierra	7/16/2007	13,479	7/16/2012	10,260		(2,561)	7,699	8.49%	9	785	(769)	25
N/P LSB - 2006 Sierra	8/14/2006	40,918	7/14/2011	22,957		(22,957)	0	7.49%	-	665	(665)	-
N/P GEHL Finance - Mustang Excavator	8/2/2004	20,350	9/2/2009	2,930		(2,930)	-	3.00%	-	(29)	29	-
N/P Key Equipment - Meter Reader	1/2/2007	9,049	3/2/2009	873		(873)	0	13.00%	-	71	(71)	-
N/P Sanlander (formerly Sovereign Bank) - 2007 Silverado	11/17/2007	32,670	12/31/2013	26,921		(5,935)	20,986	6.39%	143	1,858	(1,946)	55
N/P St Mary's Bank - 2008 Chev Colorado	5/28/2008	18,026	7/12/2013	16,486		(3,305)	13,181	5.75%	-	1,122	(1,122)	-
N/P Bank of America - Copier (capital Lease)	6/4/2008	5,689	6/4/2012	5,037		(1,347)	3,690	5.20%	-	230	(230)	-
N/P St Mary's Bank - 2008 Chev Colorado	5/31/2009	18,865	8/14/2013	-	18,865	(2,323)	16,542	5.90%	-	636	(636)	-
N/P GEHL Finance - Mustang Excavator	11/13/2009	26,200	11/13/2014	-	26,200	(437)	25,763					
Total Pre2010 Unapproved Debt		\$ 185,246		\$ 85,463	\$ 45,065	\$ (42,668)	\$ 87,861		\$ 152	\$ 5,338	\$ (5,410)	\$ 80
2010 Unapproved Debt												
N/P Ford Motor Credit - F350-XL Dump Truck	9/18/2010	\$ 31,301	9/18/2015	-	-	-	-	7.80%	-	-	-	-
Total 2010 Unapproved Debt		\$ 31,301		-	-	-	-		-	-	-	-
Total Unapproved Debt		\$ 216,547		-	-	-	-		-	-	-	-

Note 1: The N/P GEHL Finance - Mustang Excavator and the related interest was part of the capital structure and rate of return in DW 05-137.

Note 2: In 2009 the Company was fined \$110,000 and reached an agreement with the NH Department of Correction ("NHDOC") to pay \$110,000 over a three year period. The Company is not requesting PUC approval of the NHDOC note payable because the Company's ratepayers are not paying the fine.

Note 3: In 2009 the Company added \$52,116 resulting in a balance owed of \$190,855 to Tom and Barbara Mason. As part of this financing petition, the Company is formally notifying the PUC of its intention to convert the N/P Tom & Barbara Mason to additional paid in capital.

F-1 BALANCE SHEET
Assets and Other Debits

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	2010 Adjustments (d)	2011 Adjustments (e)	Adjusted Year End Balance (f)
UTILITY PLANT					
1	Utility Plant (101-106)	\$ 4,346,089	\$ 20,301	\$ 278,063	\$ 4,644,453
2	Less: Accumulated Depr. and Amort. (108-110)	1,180,211	\$ (48,439)	\$ (30,720)	1,101,052
3	Net Plant	\$ 3,165,878	\$ 68,740	\$ 308,783	\$ 3,543,401
4	Utility Plant Acquisition Adj. (Net) (114-115)	(110,515)			(110,515)
5	Total Net Utility Plant	\$ 3,055,363	\$ 68,740	\$ 308,783	\$ 3,432,886
OTHER PROPERTY AND INVESTMENTS					
6	Nonutility Property (121)				
7	Less: Accumulated Depr. and Amort. (122)				
8	Net Nonutility Property				
9	Investment in Associated Companies (123)				
11	Utility Investments (124)				
12	Other Investments				
13	Special Funds (126-128)				
14	Total Other Property & Investments				
CURRENT AND ACCRUED ASSETS					
16	Cash (131)	\$ 5,034	\$ 2,444	\$ 42,600	\$ 50,078
17	Special Deposits (132)				
18	Other Special Deposits (133)				
19	Working Funds (134)				
20	Temporary Cash Investments (135)				
21	Accounts and Notes Receivable-Net (141-144)	95,988			95,988
22	Accounts Receivable from Assoc. Co. (145)				
23	Notes Receivable from Assoc. Co. (146)				
24	Materials and Supplies (151-153)	45,133			45,133
25	Stores Expense (161)				
26	Prepayments-Other (162)	23,240			23,240
27	Prepaid Taxes (163)	6,976			6,976
28	Interest and Dividends Receivable (171)				
29	Rents Receivable (172)				
30	Accrued Utility Revenues (173)				
31	Misc. Current and Accrued Assets (174)				
32	Total Current and Accrued Assets	\$ 176,371	\$ 2,444	\$ 42,600	\$ 221,415
DEFERRED DEBITS					
32	Unamortized Debt Discount & Expense (181)	\$ 8,789	\$ 3,800	\$ (200)	\$ 12,389
33	Extraordinary Property Losses (182)				
34	Prelim. Survey & Investigation Charges (183)				
35	Clearing Accounts (184)				
36	Temporary Facilities (185)				
37	Miscellaneous Deferred Debits (186)	7,332			7,332
38	Research & Development Expenditures (187)				
39	Accumulated Deferred Income Taxes (190)				
40	Total Deferred Debits	\$ 16,121	\$ 3,800	\$ (200)	\$ 19,721
TOTAL ASSETS AND OTHER DEBITS		\$ 3,247,855	\$ 74,983	\$ 351,183	\$ 3,674,022

Note: The 2010 and 2011 Adjustments do not include any adjustments for 2010 actual transaction, for the pending step increase in DW 08-070 and for the rate increase in DW 10-141.

F-1 BALANCE SHEET
Equity Capital and Liabilities

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	2010 Adjustments (d)	2011 Adjustments (e)	Adjusted Year End Balance (f)
EQUITY CAPITAL					
1	Common Stock Issued (201)	\$ 10,000			\$ 10,000
2	Preferred Stock Issued (204)				
3	Capital Stock Subscribed (202,205)				
4	Stock Liability for Conversion (203, 206)				
5	Premium on Capital Stock (207)				
6	Installments Received On Capital Stock (208)				
7	Other Paid-In Capital (209,211)	942,080	75,000	315,030	1,332,110
8	Discount on Capital Stock (212)				
9	Capital Stock Expense(213)	(16,565)			(16,565)
10	Retained Earnings (214-215)	(93,370)	7,999	36,153	(49,218)
11	Reacquired Capital Stock (216)				
12	Total Equity Capital	\$ 842,145	\$ 82,999	\$ 351,183	\$ 1,276,327
LONG TERM DEBT					
13	Bonds (221)	777,322			\$ 777,322
14	Reacquired Bonds (222)				
15	Advances from Associated Companies (223)				
16	Other Long-Term Debt (224)	\$ 382,596	\$ 25,985		\$ 408,581
17	Total Long-Term Debt	\$ 1,159,918	\$ 25,985	\$ -	\$ 1,185,903
CURRENT AND ACCRUED LIABILITIES					
18	Accounts Payable (231)	\$ 374,804	\$ (34,000)		\$ 340,804
19	Notes Payable (232)				
20	Accounts Payable to Associated Co. (233)				
21	Notes Payable to Associated Co. (234)				
22	Customer Deposits (235)	1,106			1,106
23	Accrued Taxes (236)	(3,305)			(3,305)
24	Accrued Interest (237)	83,107			83,107
25	Accrued Dividends (238)				
26	Matured Long-Term Debt (239)				
27	Matured Interest (240)				
28	Misc. Current and Accrued Liabilities (241)				
29	Total Current and Accrued Liabilities	\$ 455,712	\$ (34,000)	\$ -	\$ 421,712
DEFERRED CREDITS					
30	Unamortized Premium on Debt (251)				
31	Advances for Construction (252)				
32	Other Deferred Credits (253)				
33	Accumulated Deferred Investment Tax Credits (255)				
34	Accumulated Deferred Income Taxes:				
35	Accelerated Amortization (281)				
36	Liberalized Depreciation (282)	105,511			105,511
37	Other (283)				
38	Total Deferred Credits	\$ 105,511			\$ 105,511
OPERATING RESERVES					
39	Property Insurance Reserve (261)				
40	Injuries and Damages Reserve (262)				
41	Pensions and Benefits Reserves (263)				
42	Miscellaneous Operating Reserves (265)				
43	Total Operating Reserves	\$ -	\$ -		\$ -
CONTRIBUTIONS IN AID OF CONSTRUCTION					
44	Contributions In Aid of Construction (271)	\$ 849,099			\$ 849,099
45	Accumulated Amortization of C.I.A.C. (272)	164,530			164,530
46	Total Net C.I.A.C.	\$ 684,569	\$ -		\$ 684,569
46	TOTAL EQUITY CAPITAL AND LIABILITIES	\$ 3,247,855	\$ 74,983	\$ 351,183	\$ 3,674,022

Note: The 2010 and 2011 Adjustments do not include any adjustments for 2010 actual transaction, for the pending step increase in DW 08-070 and for the rate increase in DW 10-141.

F-2 STATEMENT OF INCOME

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	2010 Adjustments (d)	2011 Adjustments (e)	Adjusted Year End Balance (f)
	UTILITY OPERATING INCOME				
1	Operating Revenues(400)	\$ 990,964	\$ 16,486	\$ 68,527	\$ 1,075,977
2	Operating Expenses:				
3	Operating and Maintenance Expense (401)	802,295		10,000	812,295
4	Depreciation Expense (403)	165,259	3,561	6,247	175,067
5	Amortization of Contribution in Aid of Construction (405)	(16,911)			(16,911)
6	Amortization of Utility Plant Acquisition Adjustment (406)	(4,344)			(4,344)
7	Amortization Expense-Other (407)				
8	Taxes Other Than Income (408.1-408.13)	44,834	609	4,002	49,445
9	Income Taxes (409.1, 410.1, 411.1, 412.1)	2,370	1,837	11,925	16,132
10	Total Operating Expenses	\$ 993,503	\$ 6,007	\$ 32,174	\$ 1,031,684
11	Net Operating Income (Loss)	\$ (2,539)	\$ 10,479	\$ 36,353	\$ 44,293
12	Income From Utility Plant Leased to Others (413)				
13	Gains(Losses) From Disposition of Utility Property (414)				
14	Net Water Utility Operating Income	\$ (2,539)	\$ 10,479	\$ 36,353	\$ 44,293
	OTHER INCOME AND DEDUCTIONS				
15	Revenues From Merchandising, Jobbing and Contract Work (415)				
16	Costs and Expenses of Merchandising, Jobbing and Contract Work (416)				
17	Equity in Earnings of Subsidiary Companies (418)				
18	Interest and Dividend Income (419)	4,594			4,594
19	Allow. for funds Used During Construction (420)				
20	Nonutility Income (421)				
21	Gains (Losses) Form Disposition Nonutility Property (422)				
22	Miscellaneous Nonutility Expenses (426)	(112,787)			(112,787)
23	Total Other Income and Deductions	\$ (108,193)	\$ -	\$ -	(108,193)
	TAXES APPLICABLE TO OTHER INCOME				
24	Taxes Other Than Income (408.2)				
25	Income Taxes (409.2, 410.2, 411.2, 412.2, 412.3)				
26	Total Taxes Applicable To Other Income				
	INTEREST EXPENSE				
27	Interest Expense (427)	\$ 95,154	\$ 2,280		\$ 97,434
28	Amortization of Debt Discount & Expense (428)	1,788	200	200	2,188
29	Amortization of Premium on Debt (429)				
30	Total Interest Expense	\$ 96,942	\$ 2,480	\$ 200	\$ 99,622
31	Income Before Extraordinary Items	\$ (207,674)	\$ 7,999	\$ 36,153	\$ (163,522)
	EXTRAORDINARY ITEMS				
32	Extraordinary Income (433)				
33	Extraordinary Deductions (434)				
34	Income Taxes, Extraordinary Items (409.3)				
35	Net Extraordinary Items				
	NET INCOME (LOSS)	\$ (207,674)	\$ 7,999	\$ 36,153	\$ (163,522)

Note: The 2010 and 2011 Adjustments do not include any adjustments for 2010 actual transaction, for the pending step increase in DW 08-070 and for the rate increase in DW 10-141.

F-1 BALANCE SHEET
Capital Structure

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	2010 Adjustments (d)	2011 Adjustments (e)	Adjusted Year End Balance (f)
EQUITY CAPITAL					
1	Common Stock Issued (201)	\$ 10,000			\$ 10,000
2	Other Paid-In Capital (209,211)	942,080	75,000	315,030	1,332,110
3	Capital Stock Expense (213)	(16,565)			(16,565)
4	Retained Earnings (214-215)	(93,370)	7,999	36,153	(49,218)
5	Total Equity Capital	\$ 842,145	\$ 82,999	\$ 351,183	\$ 1,276,327
LONG TERM DEBT					
6	Other Long-Term Debt (224)	\$ 1,159,918	\$ 25,985	\$ -	\$ 1,185,903
7	Total Long-Term Debt	\$ 1,159,918	\$ 25,985	\$ -	\$ 1,185,903
8	Total Capital Structure	\$ 2,002,063	\$ 108,983	\$ 351,183	\$ 2,462,230

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	2010 Adjustments (d)	2011 Adjustments (e)	Adjusted Year End Balance (f)
EQUITY CAPITAL					
1	Common Stock Issued (201)	0.50%	0.00%	0.00%	0.41%
2	Other Paid-In Capital (209,211)	47.06%	68.82%	89.71%	54.10%
3		-0.83%	0.00%	0.00%	-0.67%
4	Retained Earnings (214-215)	-4.66%	7.34%	10.29%	-2.00%
5	Total Equity Capital	42.06%	76.16%	100.00%	51.84%
LONG TERM DEBT					
6	Other Long-Term Debt (224)	57.94%	23.84%	0.00%	48.16%
7	Total Long-Term Debt	57.94%	23.84%	0.00%	48.16%
8	Total Capital Structure	100.00%	100.00%	100.00%	100.00%

Note: The 2010 and 2011 Adjustments do not include any adjustments for 2010 actual transaction, for the pending step increase in DW 08-070 and for the rate increase in DW 10-141.

Lakes Region Water Company
Journal Entries

SPS-4

2010 Transactions

Impact
on NI

1	Dr.	181	Unamortized Debt Expense	4,000		
	Cr.	131	Cash		4,000	
	To record estimated debt expense associated with PUC approval of the Pre 2010 Unapproved Debt, 2010 Debt and 2011 Debt					
2	Dr.	108	Accumulated Depreciation	58,000		
	Cr.	101	Plant in Service		58,000	
	To record 2010 retirement of plant					
3	Dr.	131	Cash	75,000		
	Cr.	211	Additional Paid in Capital - Tom & Barbara Mason		75,000	
	To record additional paid in capital from stockholders during 2010					
4	Dr.	101	Plant in Service	41,000		
	Dr.	231	Accounts payable	34,000		
	Cr.	131	Cash		75,000	
	To record 2010 additions to plant and payment of past due A/P					
5	Dr.	131	Cash	31,301		
	Cr.	224	Other LTD - N/P Ford Credit		31,301	
	To record receipt of cash and related liability due Ford Credit					
6	Dr.	101	Plant in Service	37,301		
	Cr.	108	Accumulated Depreciation - Trade in old vehicle		6,000	
	Cr.	131	Cash		31,301	
	To record the purchase of Ford F350XL Dump Truck					
7	Dr.	403	Depreciation Expense	3,561		(3,561)
	Cr.	108	Accumulated Depreciation		3,561	
	To record half year depreciation expense on 2010 additions to plant					
8	Dr.	224	Other Long Term Debt	5,316		
	Dr.	427	Interest Expense	2,280		(2,280)
	Cr.	131	Cash		7,596	
	To record principal and interest payments on 2010 Ford Credit Loan					
9	Dr.	428	Amortization of Debt Expense	200		(200)
	Cr.	181	Unamortized Debt Expense		200	
	To record annual amortization of debt expense					
10	Dr.	131	Cash	16,486		16,486
	Cr.	461	Metered Water Revenues		16,486	
	To record additional annual revenue					
11	Dr.	408	State Utility Property Taxes	186		
	Dr.	408	Local Property Taxes	423		
	Dr.	409.1	Federal Income Taxes	1,443		
	Dr.	409.11	State Business Profit Taxes	394		
	Cr.	131	Cash		2,446	(2,446)
	To record additional state and local property taxes and state business enterprise tax					<u>7,999</u>

Lakes Region Water Company
Journal Entries

SPS-5

2011 Transactions

Impact
on NI

1	Dr.	108	Accumulated Depreciation	36,967		
	Cr.	101	Plant in Service		36,967	
	To record 2011 retirement of plant					
2	Dr.	131	Cash	315,030		
	Cr.	211	Additional Paid in Capital - Tom & Barbara Mason		315,030	
	To record additional paid in capital from stockholders during 2011					
3	Dr.	101	Plant in Service	315,030		
	Cr.	131	Cash		315,030	
	To record 2011 additions to plant					
4	Dr.	403	Depreciation Expense	6,247		(6,247)
	Cr.	108	Accumulated Depreciation		6,247	
	To record half year depreciation expense on 2011 additions to plant					
5	Dr.	428	Amortization of Debt Expense	200		(200)
	Cr.	181	Unamortized Debt Expense		200	
	To record annual amortization of debt expense					
6	Dr.	131	Cash	68,527		
	Cr.	461	Metered Water Revenues		68,527	68,527
	To record additional annual revenue					
7	Dr.	400	Treatment Expenses	10,000		(10,000)
	Cr.	131	Cash		10,000	
	To record additional treatment expenses					
8	Dr.	408	State Utility Property Taxes	1,223		
	Dr.	408	Local Property Taxes	2,779		
	Dr.	409.1	Federal Income Taxes	9,366		
	Dr.	409.11	State Business Enterprise Taxes	2,559		
	Cr.	131	Cash		15,927	(15,927)
	To record additional state and local property taxes and state business enterprise tax					<u>36,153</u>

Lakes Region Water Company
2010 Projected Plant and Depreciation

SPS-6

<u>Item Description</u>	<u>Plant Acct #</u>	<u>Total Amount</u>	<u>Depr. Rate</u>	<u>Annual Depr Exp</u>	<u>Accum Depr</u>
Wells	307	\$3,600	3.30%	\$119	\$59
Pumps	311	10,500	10.00%	1,050	525
Mains	331	24,000	2.00%	480	240
Meters	334	2,900	5.00%	145	73
Transportation Equipment	341	<u>37,301</u>	14.29%	<u>5,329</u>	<u>2,664</u>
Total Proposed Financing		<u>\$78,301</u>		<u>\$7,123</u>	<u>\$3,561</u>

Note: The Company does not anticipate an increase in operation and maintenance expenses.

Lakes Region Water Company
2011 Projected Plant and Depreciation

SPS-7

<u>Item Description</u>	<u>Plant Acct #</u>	<u>Total Amount</u>	<u>Depr. Rate</u>	<u>Annual Depr Exp</u>	<u>Accum Depr</u>
Far Echo Pump Station Renovation:					
Structure	304	\$37,320	2.50%	\$933	\$467
Structure - Telemetry	304	4,800	5.00%	240	120
Pumping Equipment	311	5,880	10.00%	588	294
Treatment Equipment	320	10,920	3.60%	393	197
West Point Well Source	307	43,200	3.30%	1,426	713
Hidden Valley VFD Reconfiguration	311	10,000	10.00%	1,000	500
Wentworth Cove Electrical Installation	304	7,000	2.50%	175	88
Woodland Grove Pump Station Renovation					
Structure	304	38,250	2.50%	956	478
Structure - Telemetry	304	4,800	5.00%	240	120
Pumping Equipment	311	5,880	10.00%	588	294
Treatment Equipment	320	10,920	3.60%	393	197
Tamworth Treatment System	320	25,000	3.60%	900	450
Indian Mound Pump Station Renovation					
Structure	304	44,040	2.50%	1,101	551
Structure - Telemetry	304	4,800	5.00%	240	120
Pumping Equipment	311	3,000	10.00%	300	150
Treatment Equipment	320	10,920	3.60%	393	197
Annual Plant Additions					
Pumps	311	18,400	10.00%	1,840	920
Mains	331	19,500	2.00%	390	195
Services	333	4,900	2.50%	123	61
Meters	334	5,500	5.00%	275	138
Total Proposed Financing		<u>\$315,030</u>		<u>\$12,494</u>	<u>\$6,247</u>

Note: The Company does not anticipate an increase in operation and maintenance expenses, except for a \$10,000 increase in maintenance of the Tamworth water treatment system.

Lakes Region Water Company
2010 Additions to Plant Financing

SPS-8

Calculation of Revenue Requirement

Estimated
2010

Addition to Rate Base:

Plant Additions

2010 Additions

\$78,301

Less: Accumulated Depreciation

3,561

Net Plant

\$74,740

Add: Cash Working Capital

Total Additions to Rate Base

\$74,740

Rate of Return (See Note A below)

9.26%

Additional Net Operating Income Required

\$6,917

Add: Operating and Maintenance Expenses

Depreciation Expense

7,123

Amortization of CIAC

0

Assessed Property Value \$47,000 60.00% \$28,200

State Property Taxes (\$6.60 / \$1,000)

186

Local Property Taxes (\$15.00 / 1,000)

423

PreTax Income

14,649

Federal Income Taxes (See Note B below)

1,443

Business Profits Taxes (See Note B below)

394

Total Additional Revenue Required

\$16,486

Note A:

Rate of Return

\$31,301	\$25,985	\$28,643	\$2,280	7.96%	27.64%	2.20%
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		<u>75,000</u>		9.75%	<u>72.36%</u>	<u>7.06%</u>
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		<u>\$103,643</u>			<u>100.00%</u>	<u>9.26%</u>
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Note B:

PreTax Income

\$14,649

2010 Expenses

7,732

2010 Interest Expense

2,280

NH Gross Business Profits

\$4,637

NH Business Profits Taxes 8.50%

\$394

Federal Taxable Income

\$4,243

Federal Income Tax 34.00%

1,443

Total Federal Income Taxes and State Business Profit Taxes

\$1,837

Lakes Region Water Company
2011 Additions to Plant Financing

SPS-9

Calculation of Revenue Requirement

Addition to Rate Base:	Estimated <u>2011</u>
Plant Additions	
2011 Additions	\$315,030
Less: Accumulated Depreciation	<u>6,247</u>
Net Plant	\$308,783
Add: Cash Working Capital	
Total Additions to Rate Base	\$308,783
Rate of Return	<u>9.75%</u>
Additional Net Operating Income Required	\$30,106
Add: Operating and Maintenance Expenses	\$10,000
Depreciation Expense	12,494
Amortization of CIAC	0
Assessed Property Value	\$308,783 60.00% \$185,270
State Property Taxes (\$6.60 / \$1,000)	1,223
Local Property Taxes (\$15.00 / 1,000)	<u>2,779</u>
PreTax Income	\$56,602
Federal Income Taxes (See Note A below)	9,366
Business Profit Taxes See Note A below)	<u>2,559</u>
Total Additional Revenue Required	<u>\$68,527</u>

Note A:

PreTax Income	\$56,602
2011 Expenses	<u>26,496</u>
NH Gross Business Profits	<u>\$30,106</u>
NH Business Profits Taxes 8.50%	<u>\$2,559</u>
Federal Taxable Income	<u>\$27,547</u>
Federal Income Tax 34.00%	<u>9,366</u>
Total Federal Income Taxes and State Business Profit Taxes	<u>\$11,925</u>

**Lakes Region Water Company
Source and Use of Funds**

SPS-10

2010

<u>Source of Funds</u>	<u>Amount</u>
Masons' Additional Paid in Capital	\$75,000
Ford Credit	<u>31,301</u>
Total Source of Funds	<u>\$106,301</u>

<u>Use of Funds</u>	
2010 Additions to Plant	\$72,301
Past Due A/P	<u>34,000</u>
Total Use of Funds	<u>\$106,301</u>

2011

<u>Source of Funds</u>	<u>Amount</u>
Masons' Additional Paid in Capital	<u>\$315,030</u>
Total Source of Funds	<u>\$315,030</u>

<u>Use of Funds</u>	
2011 Additions to Plant	<u>\$315,030</u>
Total Use of Funds	<u>\$315,030</u>

**Lakes Region Water Company
Estimated Cost of Financing**

SPS-11

2011 Financing Costs

St. Cyr & Associates	\$1,500
Norman E. Roberge	500
Shaheen & Gordon	<u>2,000</u>
Total Estimated Financing Costs	<u>\$4,000</u>