

F-1 BALANCE SHEET
Assets and Other Debits

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	Adjustments (d)	Adjusted Year End Balance (e)
UTILITY PLANT				
1	Utility Plant (101-106)	\$ 16,328,565	\$ 39,674	\$ 16,368,239
2	Less: Accumulated Depr. and Amort. (108-110)	5,662,313	\$ 3,967	5,666,280
3	Net Plant	\$ 10,666,252	\$ 35,707	\$ 10,701,959
4	Utility Plant Acquisition Adj. (Net) (114-115)			
5	Total Net Utility Plant	\$ 10,666,252	\$ 35,707	\$ 10,701,959
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)	\$ 323,094	\$ (16,594)	\$ 306,500
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)	273,160		273,160
22	Accounts Receivable from Assoc. Co. (145)			
23	Notes Receivable from Assoc. Co. (146)			
24	Materials and Supplies (151-153)	22,767		22,767
25	Stores Expense (161)			
26	Prepayments-Other (162)	12,537		12,537
27	Prepaid Taxes (163)	39,879		39,879
28	Interest and Dividends Receivable (171)			
29	Rents Receivable (172)			
30	Accrued Utility Revenues (173)	112,109		112,109
31	Misc. Current and Accrued Assets (174)			
32	Total Current and Accrued Assets	\$ 783,546	\$ (16,594)	\$ 766,952
DEFERRED DEBITS				
32	Unamortized Debt Discount & Expense (181)	\$ 45,474	\$ 6,000	\$ 51,474
33	Extraordinary Property Losses (182)			
34	Prelim. Survey & Investigation Charges (183)			
35	Clearing Accounts (184)			
36	Temporary Facilities (185)			
37	Miscellaneous Deferred Debits (186)	84,461		84,461
38	Research & Development Expenditures (187)			
39	Accumulated Deferred Income Taxes (190)	15,883		15,883
40	Total Deferred Debits	\$ 145,818	\$ 6,000	\$ 151,818
TOTAL ASSETS AND OTHER DEBITS				
		\$ 11,595,616	\$ 25,113	\$ 11,620,729

F-1 BALANCE SHEET
Equity Capital and Liabilities

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	Adjustments (d)	Adjusted Year End Balance (e)
EQUITY CAPITAL				
1	Common Stock Issued (201)	\$ 16,767		\$ 16,767
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)	2,254,354		2,254,354
8	Discount on Capital Stock (212)			
9	Capital Stock Expense(213)			
10	Retained Earnings (214-215)	(814,242)	(7,472)	(821,714)
11	Reacquired Capital Stock (216)			
12	Total Equity Capital	\$ 1,456,879	\$ (7,472)	\$ 1,449,407
LONG TERM DEBT				
13	Bonds (221)			
14	Reacquired Bonds (222)			
15	Advances from Associated Companies (223)			
16	Other Long-Term Debt (224)	\$ 4,345,587	\$ 32,585	\$ 4,378,172
17	Total Long-Term Debt	\$ 4,345,587	\$ 32,585	\$ 4,378,172
CURRENT AND ACCRUED LIABILITIES				
18	Accounts Payable (231)	\$ 10,411		\$ 10,411
19	Notes Payable (232)			
20	Accounts Payable to Associated Co. (233)	20,903		20,903
21	Notes Payable to Associated Co. (234)			
22	Customer Deposits (235)	9,090		9,090
23	Accrued Taxes (236)	5,836		5,836
24	Accrued Interest (237)			
25	Accrued Dividends (238)			
26	Matured Long-Term Debt (239)			
27	Matured Interest (240)			
28	Misc. Current and Accrued Liabilities (241)	24,800		24,800
29	Total Current and Accrued Liabilities	\$ 71,040	\$ -	\$ 71,040
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)	31,534		31,534
37	Other (283)			
38	Total Deferred Credits	\$ 31,534		\$ 31,534
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)	\$ 8,794,493		\$ 8,794,493
45	Accumulated Amortization of C.I.A.C. (272)	3,103,917		3,103,917
46	Total Net C.I.A.C.	\$ 5,690,576	\$ -	\$ 5,690,576
46	TOTAL EQUITY CAPITAL AND LIABILITIES	\$ 11,595,616	\$ 25,113	\$ 11,620,729

F-2 STATEMENT OF INCOME

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	Adjustments (d)	Adjusted Year End Balance (e)
UTILITY OPERATING INCOME				
1	Operating Revenues(400)	\$ 1,843,983	\$ -	\$ 1,843,983
2	Operating Expenses:			
3	Operating and Maintenance Expense (401)	1,054,823		1,054,823
4	Depreciation Expense (403)	507,364	3,967	511,331
5	Amortization of Contribution in Aid of Construction (405)	(220,643)		(220,643)
6	Amortization of Utility Plant Acquisition Adjustment (406)			
7	Amortization Expense-Other (407)	1,193		1,193
8	Taxes Other Than Income (408.1-408.13)	216,796		216,796
9	Income Taxes (409.1, 410.1, 411.1, 412.1)	11,485		11,485
10	Total Operating Expenses	\$ 1,571,018	\$ 3,967	\$ 1,574,985
11	Net Operating Income (Loss)	\$ 272,965	\$ (3,967)	\$ 268,998
12	Income From Utility Plant Leased to Others (413)			
13	Gains(Losses) From Disposition of Utility Property (414)			
14	Net Water Utility Operating Income	\$ 272,965	\$ (3,967)	\$ 268,998
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)			
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)			
23	Total Other Income and Deductions	\$ -	\$ -	\$ -
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)	\$ 169,637	\$ 2,005	\$ 171,642
28	Amortization of Debt Discount & Expense (428)	15,087	1,500	16,587
29	Amortization of Premium on Debt (429)			
30	Total Interest Expense	\$ 184,724	\$ 3,505	\$ 188,229
31	Income Before Extraordinary Items	\$ 88,241	\$ (7,472)	\$ 80,769
EXTRAORDINARY ITEMS				
32	Extraordinary Income (433)			
33	Extraordinary Deductions (434)			
34	Income Taxes, Extraordinary Items (409.3)			
35	Net Extraordinary Items			
NET INCOME (LOSS)				
		\$ 88,241	\$ (7,472)	\$ 80,769

F-1 BALANCE SHEET
Capital Structure

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	Adjustments (d)	Adjusted Year End Balance (e)
EQUITY CAPITAL				
1	Common Stock Issued (201)	\$ 16,767		\$ 16,767
2	Other Paid-In Capital (209,211)	2,254,354	-	2,254,354
3	Retained Earnings (214-215)	(814,242)	(7,472)	(821,714)
4	Total Equity Capital	\$ 1,456,879	\$ (7,472)	\$ 1,449,407
LONG TERM DEBT				
5	Other Long-Term Debt (224)	\$ 4,345,587	\$ 32,585	\$ 4,378,172
6	Total Long-Term Debt	\$ 4,345,587	\$ 32,585	\$ 4,378,172
7	Total Capital Structure	\$ 5,802,466	\$ 25,113	\$ 5,827,579

Line No. (a)	Account Title (Number) (b)	Current Year End Balance (c)	Adjustments (d)	Adjusted Year End Balance (e)
EQUITY CAPITAL				
1	Common Stock Issued (201)	0.29%	0.00%	0.29%
2	Other Paid-In Capital (209,211)	38.85%	0.00%	38.68%
3	Retained Earnings (214-215)	-14.03%	-29.75%	-14.10%
4	Total Equity Capital	25.11%	-29.75%	24.87%
LONG TERM DEBT				
5	Other Long-Term Debt (224)	74.89%	129.75%	75.13%
6	Total Long-Term Debt	74.89%	129.75%	75.13%
7	Total Capital Structure	100.00%	100.00%	100.00%

SPSt. Cyr
9/28/2016

**Hampstead Area Water Company
Journal Entries**

SPS-4

						<u>Impact on Net Income</u>
1	Dr.	181	Unamortized Debt Expense	7,500		
	Cr.	131	Cash		7,500	
To record estimated debt expense associated with obtaining PUC approval of of 2016 Ford Motor Credit Financing						
2	Dr.	131	Cash	39,674		
	Cr.	224	Other Long Term Debt		39,674	
To record receipt of cash and related long term debt associated with Ford Motor Credit financing						
3	Dr.	101.00	Plant in Service	39,674		
	Cr.	131	Cash		39,674	
To record payment of TD Bank loans						
4	Dr.	403	Depreciation Expense (\$39,674 / 5 / 2)	3,967		(3,967)
	Cr.	108	Accumulated Depreciation		3,967	
To record 1/2 year depreciation and related accumulated depreciation for year 1						
5	Dr.	224	Other Long Term Debt	7,089		
	Cr.	427	Interest Expense	2,005		(2,005)
	Dr.	131	Cash		9,094	
To record the projected 1st year payments (principle and interest)						
6	Dr.	428	Amortization of Debt Expense	1,500		(1,500)
	Cr.	181	Unamortized Debt Expense		1,500	(7,472)
To record annual amortization of debt expense						
Impact on Cash				39,674		56,268
Net Impact on Cash						(16,594)

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**Hampstead Area Water Company
Source and Use of Funds**

SPS-5

Source of Funds

2016

Ford Motor Credit	\$ 39,674
Total Source of Funds	<u>\$ 39,674</u>

Use of Funds

2016 Ford F250 pickup truck	\$ 39,674
Total Use of Funds	<u>\$ 39,674</u>

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9/28/2016

**Hampstead Area Water Company
Estimated Cost of Financing**

SPS-6

2016 Financing Costs

Ford Motor Credit	\$ -
St. Cyr & Associates	2,500
Lewis Builders Development	<u>5,000</u>
Total Estimated Financing Costs	<u>\$ 7,500</u>

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