

Alabama Water System, Inc.

Annual Financial Statements

As of December 31, 2019 and for the Year Then Ended

Wade & Perry, CPAs APAC

116 N. Pinecrest Drive

Ruston, LA 71270

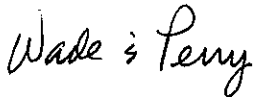
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ACCOUNTANTS' COMPILATION REPORT

To Management
Alabama Water System, Inc.
16439 Hwy. 151
Arcadia, LA 71001-5209

Management is responsible for the accompanying financial statements of Alabama Water System, Inc. (a not-for-profit), which comprise the balance sheet as of December 31, 2019, and the related statement of income for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about Alabama Water System's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.



Wade & Perry, CPAs APAC
Ruston, LA

May 26, 2020

Alabama Water System, Inc.

Balance Sheet

As of December 31, 2019

	Dec 31, 19
ASSETS	
Current Assets	
Checking/Savings	
Construction Account - GBT	3,909.13
First National Bank	
Deposits	6,404.18
First National Bank - Other	13,576.63
Total First National Bank	19,980.81
Total Checking/Savings	23,889.94
Accounts Receivable	
Accounts Receivable	13,300.01
Total Accounts Receivable	13,300.01
Other Current Assets	
Depreciation Fund CD	98,986.09
Edwards Jones M/M Account	19,513.59
Fed Farm Credit Bk Cons Bonds	27,015.27
FHLMC Bond	4,411.08
Franklin US Government Secs.	10,676.32
Revenue Fund CD # 8	213,474.50
Total Other Current Assets	374,076.85
Total Current Assets	411,266.80
Fixed Assets	
Accumulated Depreciation	-2,874,807.96
Equipment	37,141.20
Land (Woodard)	9,995.00
Office Building	80,664.80
Water System	5,488,040.31
Total Fixed Assets	2,741,033.35
Other Assets	
Utility Deposit	200.00
Total Other Assets	200.00
TOTAL ASSETS	3,152,500.15
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	5,892.34
Total Accounts Payable	5,892.34
Other Current Liabilities	
Customer deposits	12,553.96
Payroll Liabilities	1,648.36
USDA Loan	1,343,028.75
Total Other Current Liabilities	1,357,231.07
Total Current Liabilities	1,363,123.41
Total Liabilities	1,363,123.41
Equity	
Retained Earnings	1,987,069.01
Net Income	-197,692.27
Total Equity	1,789,376.74

See accountant's compilation report

Alabama Water System, Inc.
Balance Sheet
As of December 31, 2019

	Dec 31, 19
TOTAL LIABILITIES & EQUITY	<u>3,152,500.15</u>

Alabama Water System, Inc.
Statement of Income
 January through December 2019

	Jan - Dec 19
Ordinary Income/Expense	
Income	
Water Revenue	139,321.67
Total Income	139,321.67
Expense	
Bank Service Charges	1,020.76
Depreciation Expense	145,890.76
Honorarium	1,750.00
Insurance	
Property Insurance	5,151.66
Work Comp	1,875.00
Total Insurance	7,026.66
Interest Expense	
Loan Interest	25,437.80
Total Interest Expense	25,437.80
Licenses and Permits	817.00
Miscellaneous	645.75
Office Expense	1,942.99
Office Supplies	1,322.34
Payroll Expenses	16,873.13
Postage and Delivery	1,621.70
Professional Fees	
Accounting	
Bonus	650.00
Total Accounting	650.00
Audit expense	3,400.00
Professional Fees - Other	38,230.13
Total Professional Fees	42,280.13
Reimbursed Expenses.	27.50
Repair & Maintenance	
Installation expense	2,387.00
Mowing	2,400.00
Repair & Maintenance - Other	37,676.23
Total Repair & Maintenance	42,463.23
Repairs	
Equipment Repairs	42.76
Janitorial Exp	100.00
Total Repairs	142.76
Supplies	13,472.49
Taxes	
Sales Tax	3,942.93
Total Taxes	3,942.93
Telephone	6,782.05
Utilities	
Gas and Electric	32,135.36
Total Utilities	32,135.36
Total Expense	345,595.34
Net Ordinary Income	-206,273.67
Other Income/Expense	
Other Income	
Interest Income	2,354.45

See accountant's compilation report

Alabama Water System, Inc.
Statement of Income
January through December 2019

	Jan - Dec 19
Unrealized Gain on Edward Jones	6,226.95
Total Other Income	8,581.40
Net Other Income	8,581.40
Net Income	<u><u>-197,692.27</u></u>

Alabama Water System, Inc.
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended December 31, 2019

Agency Head Name: Jerry Simpson

<u>Purpose</u>	
Salary	\$0
Per diem	300