

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-20496A

AVM-2005, LLC
6263 N. Scottsdale Rd., Ste. 265
Scottsdale, AZ 85250

RECEIVED
APR 13 2015
ACC UTILITIES DIRECTOR

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2014
----	----	------

FOR COMMISSION USE

ANN 04	14
--------	----

4-14-15

COMPANY INFORMATION

Company Name (Business Name) AVM-2005, LLC. dba Signal Peak Water

Mailing Address 6263 N. Scottsdale Road, Ste 265
Scottsdale AZ 85250
(City) (State) (Zip)

(480) 998-5440 (480) 998-5442
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address Sinead@areadinc.com

Local Office Mailing Address Same
(Street)
(City) (State) (Zip)

Local Customer Service Phone No. (Include Area Code) (1-800 or other long distance Customer Service Phone No.)

Email Address Same Website address _____

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: NORM BAKER OPERATOR
(Name) (Title)

6263 N. Scottsdale Road, Ste 265, Scotts, AZ 85250
(Street) (City) (State) (Zip)

(480) 998-5440 (480) 998-5442
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address Norm@areadinc.com

On Site Manager: Same
(Name)
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address Same

Statutory Agent: Connie Radoff

(Name)

6263 N. Scottsdale Rd #265, Scottsdale, AZ 86250

(Street)

(City)

(State)

(Zip)

(480) 998-5440

(480) 998-5442

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Matthew Berens

852140 (Name)

7047 E. Greenway Pkwy, Scotts, AZ 85254

(Street)

(City)

(State)

(Zip)

480-624-2777

(480) 607-2215

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input checked="" type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|---|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME *AVM 2005, LLC. dba Signal Peak Water*

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises GOODWILL	292,898	149,701	143,197
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	40,000	12,000	28,000
333	Services	16,000	4,800	11,200
334	Meters and Meter Installations	3,200	960	2,240
335	Hydrants	800	240	560
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	352,898	167,701	185,197

This amount goes on the Balance Sheet Acct. No. 108 

40000	0.666667	1600	10400	12000	28000
16000	0.266667	640	4160	4800	11200
3200	0.053333	128	832	960	2240
800	0.013333	32	208	240	560
60000	1	2400			

COMPANY NAME

ARM-2005, LLC dba Signal Peak Water

WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
301	Organization			
302	Franchises GOODWILL	292,898	6.67%	19,526
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	40,000	4%	1600
333	Services	16000	4%	640
334	Meters and Meter Installations	3200	4%	128
335	Hydrants	800	4%	32
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	SUBTOTAL			
	LESS CIAC Amortization			
	TOTALS *			21,926

*This amount goes on the Comparative Statement of Income and Expense Acct. No. 403

COMPANY NAME

ARM-2005, LLC, dba Signal Peak Water

WATER UTILITY BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1131	\$ 1702
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	430	395
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1561	\$ 2097
	FIXED ASSETS		
101	Utility Plant in Service	\$ 60,000	\$ 60,000
103	Property Held for Future Use	292,898	292,898
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	15,600	18,000
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility	130,175	149,700
	TOTAL FIXED ASSETS	\$ 207,123	\$ 185,198
	TOTAL ASSETS	\$ 208,684	\$ 187,295

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME

AVM-2005, LLC, dba Signal Peak Water

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 111,725	\$ 138,826
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1300	1300
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 113,025	\$ 140,126
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 449,377	\$ 449,377
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 562,402	\$ 589,503
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	<354,718>	<403,208>
218	Proprietary Capital (Sole Props and Partnerships)	1,000	1,000
	TOTAL CAPITAL	\$ <353,718>	\$ 402,208
	TOTAL LIABILITIES AND CAPITAL	\$ 208,684	\$ 187,295

COMPANY NAME

Avm, 2005, LLC, dba Signal Peak Water

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 11,398	\$ 12,296.
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 11,398	\$ 12,296.50
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 5,871	\$ 6402
610	Purchased Water		
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance	-0-	3559
621	Office Supplies and Expense		
630	Outside Services	27,050	26,750
635	Water Testing	665	630
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability	951	1008
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	310	223.
403	Depreciation Expense	21,926	21,926
408	Taxes Other Than Income		
408.11	Property Taxes	571	288
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 57,344	\$ 60,786
	OPERATING INCOME/(LOSS)	\$ <45,946>	\$ <48,490>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ <45,946>	\$ <48,490>

COMPANY NAME AVM-2005, LLC, dba Signal Park Water

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	05-04-07	09-01-07		
Source of Loan	related party	related party		
ACC Decision No.				
Reason for Loan	Purchase	Expense		
Dollar Amount Issued	\$350,000	\$47,000	\$	\$
Amount Outstanding	\$350,000	\$47,000	\$	\$
Date of Maturity	None	None		
Interest Rate	0 %	0 %	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 110-

Meter Deposits Refunded During the Test Year \$ 250

COMPANY NAME	<i>ARM-2005, LLC, dba Signal Peak Water</i>
Name of System:	ADEQ Public Water System Number:

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>Arizona Water Company</i>		<i>3,129</i>

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	AVM-2005 LLC, dba Signal Peak Water
Name of System:	ADEQ Public Water System Number:

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	6,600
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	<i>A/M-2005, LLC, dba Signal Peak Water</i>
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	<i>37</i>	<i>1577</i>		<i>2012</i>
FEBRUARY	<i>36</i>	<i>2001</i>		<i>1999</i>
MARCH	<i>36</i>	<i>1624</i>		<i>1824</i>
APRIL	<i>37</i>	<i>2747</i>		<i>2103</i>
MAY	<i>37</i>	<i>2603</i>		<i>2470</i>
JUNE	<i>37</i>	<i>3242</i>		<i>3039</i>
JULY	<i>37</i>	<i>2742</i>		<i>4116</i>
AUGUST	<i>37</i>	<i>2664</i>		<i>2166</i>
SEPTEMBER	<i>36</i>	<i>2584</i>		<i>3057</i>
OCTOBER	<i>36</i>	<i>2096</i>		<i>2860</i>
NOVEMBER	<i>36</i>	<i>1954</i>		<i>2562</i>
DECEMBER	<i>37</i>	<i>2001</i>		<i>2287</i>
TOTALS →		<i>27,834</i>		<i>31,299</i>

What is the level of arsenic for each well on your system? *N/A* mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 Yes No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME:	<i>ARM-2005, LLC. dba Signal Peak Water</i>
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →			

OTHER (description):

COMPANY NAME Arm-2005, LLC, dba Signal Peak YEAR ENDING 12/31/2014
Water

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$ 288

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED
'APR 13 2015
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>MARICOPA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>NARIMAN AFKHAMI</u>
COMPANY NAME	<u>ARM-2005, LLC dba Signal Peak Wastes</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2014</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



[Signature]
SIGNATURE OF OWNER OR OFFICIAL
(480) 998-5440
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 8th DAY OF April

(SEAL)

MY COMMISSION EXPIRES 12/28/18

COUNTY NAME	<u>MARICOPA</u>	
MONTH	<u>April</u>	<u>2015</u>

[Signature]
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED
APR 13 2015
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>MARICOPA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>NARIMAN AFKHAMI</u>
COMPANY NAME	<u>ARM-2005 LLC, dba Signal Peak Water</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

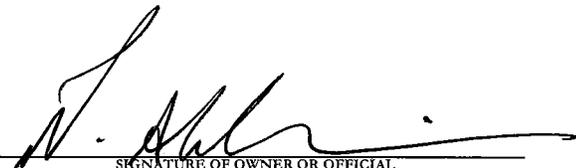
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2014 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>12,296</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ _____ IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)


SIGNATURE OF OWNER OR OFFICIAL
480-998-5440
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 8th DAY OF

COUNTY NAME	<u>MARICOPA</u>	
MONTH	<u>April</u>	<u>2015</u>

MY COMMISSION  **SINEAD SIMMONS**
Notary Public, State of Arizona
Maricopa County
My Commission Expires **December 28, 2018**


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED
'APR 13 2015
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <i>Maricopa</i>	
NAME (OWNER OR OFFICIAL) <i>Nariman Afkhami</i>	TITLE <i>Managing Member</i>
COMPANY NAME <i>ARM-2005, LLC, dba Signal Peak Water</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2014 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>12,296</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ _____ IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

N. Afkhami

SIGNATURE OF OWNER OR OFFICIAL

(480) 998-9440

TELEPHONE NUMBER

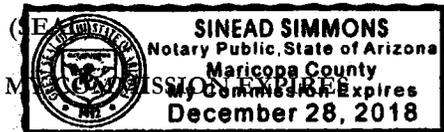
SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

8th

DAY OF

NOTARY PUBLIC NAME <i>Sinead Simmons</i>	
COUNTY NAME <i>Maricopa</i>	
MONTH <i>April</i>	20 <i>15</i>



Sinead Simmons

SIGNATURE OF NOTARY PUBLIC

Signal Peak Water Co.
Balance Sheet
As of December 31, 2014

	<u>Dec 31, 14</u>	<u>Dec 31, 13</u>
ASSETS		
Current Assets		
Checking/Savings		
1010 · Checking	1,702.44	1,131.63
Total Checking/Savings	<u>1,702.44</u>	<u>1,131.63</u>
Accounts Receivable		
1200 · Accounts Receivable	278.27	401.85
Total Accounts Receivable	<u>278.27</u>	<u>401.85</u>
Other Current Assets		
1499 · Undeposited Funds	116.67	27.76
Total Other Current Assets	<u>116.67</u>	<u>27.76</u>
Total Current Assets	2,097.38	1,561.24
Fixed Assets		
1620 · Water Pipes	60,000.00	60,000.00
1690 · Accum Depreciation	-18,000.00	-15,600.00
Total Fixed Assets	<u>42,000.00</u>	<u>44,400.00</u>
Other Assets		
1710 · Goodwill	292,897.34	292,897.34
1720 · Accum Amortization	-149,700.52	-130,174.52
Total Other Assets	<u>143,196.82</u>	<u>162,722.82</u>
TOTAL ASSETS	<u><u>187,294.20</u></u>	<u><u>208,684.06</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable	132,000.00	108,275.00
Total Accounts Payable	<u>132,000.00</u>	<u>108,275.00</u>
Other Current Liabilities		
2250 · Due to/from Shareholder	6,767.19	3,388.18
2200 · Sales Tax Payable	59.58	62.10
2550 · Customer Deposits	1,300.00	1,300.00
Total Other Current Liabilities	<u>8,126.77</u>	<u>4,750.28</u>
Total Current Liabilities	140,126.77	113,025.28
Long Term Liabilities		
2150 · Note Payable	449,377.02	449,377.02
Total Long Term Liabilities	<u>449,377.02</u>	<u>449,377.02</u>
Total Liabilities	589,503.79	562,402.30
Equity		
3001 · Capital Account	1,000.00	1,000.00
3900 · Retained Earnings	-354,718.24	-308,771.00
Net Income	-48,491.35	-45,947.24
Total Equity	<u>-402,209.59</u>	<u>-353,718.24</u>
TOTAL LIABILITIES & EQUITY	<u><u>187,294.20</u></u>	<u><u>208,684.06</u></u>

Signal Peak Water Co.
Profit & Loss
 January through December 2014

	<u>Jan - Dec 14</u>	<u>Jan - Dec 13</u>
Ordinary Income/Expense		
Income		
4300 · Other Income	660.00	113.35
4000 · Water Sales	11,636.59	11,284.90
Total Income	<u>12,296.59</u>	<u>11,398.25</u>
Cost of Goods Sold		
5000 · Cost of Goods Sold		
5010 · Water Purchases	6,403.25	5,870.76 X
5020 · Testing	630.00	665.00
5030 · Repairs & Maintenance	3,559.01	0.00
5040 · Operator Fees	26,750.00	27,050.00
5000 · Cost of Goods Sold - Other	0.00	-35.13
Total 5000 · Cost of Goods Sold	<u>37,342.26</u>	<u>33,550.63</u>
Total COGS	<u>37,342.26</u>	<u>33,550.63</u>
Gross Profit	-25,045.67	-22,152.38
Expense		
6020 · Bad Debt Expense	86.59 ✓	264.32
6281 · Personal Property Tax	288.38	570.54 ✓
6010 · Amortization Expense	19,526.00	19,526.00
6080 · Depreciation	2,400.00	2,400.00
6040 · Bank Service Charges	136.71 ✓	12.00
6140 · Insurance		
6144 · Liability Insurance	1,008.00	951.00
Total 6140 · Insurance	<u>1,008.00</u>	<u>951.00</u>
6160 · Licenses and Fees	0.00	50.00
6230 · Professional Fees		
6234 · Other	0.00	21.00
Total 6230 · Professional Fees	<u>0.00</u>	<u>21.00</u>
Total Expense	<u>23,445.68</u>	<u>23,794.86</u>
Net Ordinary Income	<u>-48,491.35</u>	<u>-45,947.24</u>
Net Income	<u><u>-48,491.35</u></u>	<u><u>-45,947.24</u></u>

11:45 AM
 03/10/15
 Accrual Basis

Signal Peak Water Co.
Trial Balance
 As of December 31, 2014

	Dec 31, 14	
	Debit	Credit
1010 · Checking	1,702.44	
1001 · Checking NBA	0.00	
1200 · Accounts Receivable	278.27	
1240 · Due from AREAD Holdings, Inc.	0.00	
1499 · Undeposited Funds	116.67	
1620 · Water Pipes	60,000.00	
1690 · Accum Depreciation		18,000.00
1710 · Goodwill	292,897.34	
1720 · Accum Amortization		149,700.52
1700 · Organizational Costs	0.00	
1800 · Signal Peak Water Company	0.00	
1801 · Supplemental Earnest Deposit	0.00	
2000 · Accounts Payable		132,000.00
2250 · Due to/from Shareholder		6,767.19
Due to AREAD Holdings, Inc.	0.00	
2200 · Sales Tax Payable		59.58
2390 · Due to AREAD, Inc.	0.00	
2550 · Customer Deposits		1,300.00
2150 · Note Payable		449,377.02
2370 · Due to Vista Del Monte, L.L.C.	0.00	
3001 · Capital Account		1,000.00
3900 · Retained Earnings	354,718.24	
4300 · Other Income		660.00
4000 · Water Sales		11,636.59
5000 · Cost of Goods Sold:5010 · Water Purchases	6,403.25	
5000 · Cost of Goods Sold:5020 · Testing	630.00	
5000 · Cost of Goods Sold:5030 · Repairs & Maintenance	3,559.01	
5000 · Cost of Goods Sold:5040 · Operator Fees	26,750.00	
6020 · Bad Debt Expense	86.59	
6281 · Personal Property Tax	288.38	
6010 · Amortization Expense	19,526.00	
6080 · Depreciation	2,400.00	
6040 · Bank Service Charges	136.71	
6140 · Insurance:6144 · Liability Insurance	1,008.00	
TOTAL	<u>770,500.90</u>	<u>770,500.90</u>

**Signal Peak Water Co.
Transaction Detail by Account**

January through December 2014

Type	Date	Num	Name	Memo	Class	Clr	Split	Debit	Credit	Balance
2550 · Customer Deposits										
Credit Memo	2/20/2014	2998	SLINKARD	Deposit			1200 · Accou...	50.00		-50.00
Invoice	3/3/2014	2999	BATMAN	Deposit			1200 · Accou...		50.00	0.00
Invoice	3/6/2014	3000	REYNA	Deposit			1200 · Accou...		50.00	50.00
Invoice	4/15/2014	3082	COLLIER, S	Deposit			1200 · Accou...		50.00	100.00
Invoice	4/15/2014	3083	HARDNICK, B	Deposit			1200 · Accou...		50.00	150.00
Invoice	6/12/2014	3171	HAMMEL	Deposit			1200 · Accou...		50.00	200.00
General Journal	7/15/2014	AJE182	Integrity Plus	Integrity Plus...			4300 · Other I...	50.00		150.00
General Journal	7/16/2014	AJE183	NORRIS PROPER...	Norris Proper...			4300 · Other I...	50.00		100.00
General Journal	12/31/2014	AJE196		Remove unk...			4300 · Other I...	100.00		0.00
Total 2550 · Customer Deposits								250.00	250.00	0.00
TOTAL								250.00	250.00	0.00

2014 DEPRECIATION AND AMORTIZATION REPORT

OTHER DEPRECIATION

Asset No.	Description	Date Acquired	Method	Life	Conv	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
1	PIPES	05/04/07	SL	25.00		HXL7	60,000.				60,000.	15,600.		2,400.	18,000.
2	GOODWILL	05/04/07	197	180M		43	292,897.				292,897.	130,174.		19,526.	149,700.
	* TOTAL OTHER DEPRECIATION & AMORT						352,897.				352,897.	145,774.		21,926.	167,700.

*Same every year,
but can ask
Jan @ Larson Allen
for IT*