

ANNUAL REPORT

Of

Company Name: **AVM-2005, LLC**
7150 E. Camelback Rd., Ste. 400

Mailing Address: **Scottsdale AZ**
85251

Docket No.: **W-20496A**
For the Year Ended: **12/31/18**

RECEIVED
APR 12 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdefafuente@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type: **Original Filing**
Application Date: **4/10/2019**

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
AVM-2005, LLC

A Class Utility

1. For the Calendar Year Ended:

2. Address:
City: State: Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

5. Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No.:
Address:
City: State: Zip Code:
Email:

6. On-Site Manager:

Name:
Telephone No.:
Address:
City: State: Zip Code:
Email:

7. Ownership:

8. Counties Served:

AVM-2005, LLC
 Annual Report
 Utility Plant in Service (Water)
 12/31/18

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises <i>Goodwill</i>	292,897	0	0	292,897	228,668	64,229
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	0	0	0	0	0	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	0	0	0	0	0	0
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	0	0	0	0	0	0
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	40,000	0	0	40,000	18,400	21,600
333	Services	16,000	0	0	16,000	7,360	8,640
334	Meters and Meter Installations	3,200	0	0	3,200	1,472	1,728
335	Hydrants	800	0	0	800	368	432
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$352,897	\$0	\$0	\$352,897	\$256,268	\$96,629

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Cost		Annual Depreciation	Prior Depreciation (2017)	2018 Depreciation	Balance
\$40,000.00	0.666667	1600	\$16,800.00	\$18,400.00	\$36,800.00
\$16,000.00	0.0266667	640	\$6,720.00	\$7,360.00	\$14,720.00
\$3,200.00	0.0533333	128	\$1,344.00	\$1,472.00	\$2,944.00
\$800.00	1.0133333	32	\$336.00	\$368.00	\$736.00
\$60,000.00		2400			

AVM-2005, LLC

Annual Report

Depreciation Expense for the Current Year (Water)

12/31/18

Depreciation Expense for the Current Year (Water)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchise <i>Goodwill</i>	292,897	0	0	292,897	0	6.67%	19,536
303	Land and Land Rights	0	0	0	0	0	0.00%	0
304	Structures and Improvements	0	0	0	0	0	0.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0.00%	0
307	Wells and Springs	0	0	0	0	0	0.00%	0
308	Infiltration Galleries	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0.00%	0
311	Pumping Equipment	0	0	0	0	0	0.00%	0
320	Water Treatment Equipment	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	40,000	0	0	40,000	0	4.00%	1,600
333	Services	16,000	0	0	16,000	0	4.00%	640
334	Meters and Meter Installations	3,200	0	0	3,200	0	4.00%	128
335	Hydrants	800	0	0	800	0	4.00%	32
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$352,897	\$0	\$0	\$352,897	\$0		\$21,936

Contribution(s) in Aid of Construction (Gross) \$0

Less: Non Amortizable Contribution(s) 0

Fully Amortized Contribution(s) 0

Amortizable Contribution(s) \$0

Times: Proposed Amortization Rate 6.22%

Amortization of CIAC \$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$21,936

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

AVM-2005, LLC
 Annual Report
 Balance Sheet Assets
 12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current and Accrued Assets			
131	Cash			
134	Working Funds		1,522	1,108
135	Temporary Cash Investments			
141	Customer Accounts Receivable		753	222
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$2,274	\$1,330
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$352,897	\$352,897
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(233,479)	(256,268)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$119,418	\$96,629
	Total Assets		\$121,692	\$97,959

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

*Note these items feed automatically from AR3 UPIS Page 3

AVM-2005, LLC
 Annual Report
 Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		\$205,196	\$229,221
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies			
235	Customer Deposits		1,800	2,000
236	Accrued Taxes			
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	Total Current Liabilities		\$206,996	\$231,221
	Long Term Debt			
224	Long Term Debt (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		\$0	\$0
	Total Liabilities		\$656,373	\$680,598
	Capital Accounts			
201	Common Stock Issued			
211	Other Paid-In Capital			
215	Retained Earnings		(549,186)	(548,686)
218	Proprietary Capital (Sole Props and Partnerships)		1,000	1,000
	Total Capital		(\$548,186)	(\$547,686)
	Total Liabilities and Capital		\$108,187	\$132,912

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

AVM-2005, LLC
 Annual Report
 Water Comparative Income Statement
 12/31/18

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	Operating Revenue		
461	Metered Water Revenue	\$11,266	\$11,518
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenue		
	Total Revenues	\$11,266	\$11,518
	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water	8,511	6,166
615	Purchased Power		
618	Chemicals		
620	Materials and Supplies		
620.1	Repairs and Maintenance	4,660	6,310
620.2	Office Supplies and Expense		
630	Contractual Services	24,000	24,000
631	Contractual Services - Engineering		
632	Contractual Services - Accounting		
633	Contractual Services - Legal		
634	Contractual Services - Management Fees		
635	Contractual Services - Water Testing	500	850
636	Contractual Services - Other		
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses		
657	Insurance - General Liability	1,812	906
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		
675	Miscellaneous Expense	10	227
403	Depreciation Expense (From Schedule AR4)	21,936	21,926
408	Taxes Other Than Income		
408.11	Property Taxes	475	757
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	Total Operating Expenses	\$61,904	\$61,142
	Operating Income / (Loss)	(\$50,639)	(\$49,624)
	Other Income / (Expense)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$50,639)	(\$49,624)

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

AVM-2005, LLC
 Annual Report
 Full time equivalent employees
 12/31/18

Full time equivalent employees

	Direct Company	Outside service	Total
President			0.0
Vice-president			0.0
Manager	12.0		12.0
Engineering Staff			0.0
System Operator(s)	42.0		42.0
Meter reader			0.0
Customer Service			0.0
Accounting			0.0
Business Office			0.0
Rates Department			0.0
Administrative Staff	120.0		120.0
Other			0.0
Total	174.0	0.0	174.0

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

AVM-2005, LLC
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/18

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	5/4/2007	9/1/2007		
Source of Loan	Related Party	Related Party		
ACC Decision No.				
Reason for Loan	Purchase	Expense		
Dollar Amt. Issued	\$350,000	\$47,000		
Amount Outstanding	\$350,000	\$47,000		
Date of Maturity	None	None		
Interest Rate	0.00%	0.00%		
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End:	\$0
---	-----

Meter Deposits Refunded During the Test Year:	\$0
---	-----

List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	n/a
-----------------------------	-----

STRUCTURES:	n/a
--------------------	-----

OTHER:	n/a
---------------	-----

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Customer and Other Information	
Name of the System:	0
ADEQ Public Water System Number:	0
ADWR PCC Number:	0

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	37				
February	37				
March	37				
April	37				
May	37				
June	36				
July	36				
August	36				
September	35				
October	34				
November	35				
December	35				

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment? No

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

If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)? Yes
 If yes, which AMA? Pinal AMA

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

AVM-2005, LLC
Annual Report
Property Taxes
12/31/18

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2018 was	\$475

If no property taxes paid, explain why.
n/a

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

AVM-2005, LLC
Annual Report
Verification and Sworn Statement (Taxes)
12/31/18

Verification and Sworn Statement (Taxes)

Verification: State of Arizona, the undersigned of the
(state name)

County of (county name): Maricopa
Name (owner or official) title: Nariman Afkhami, Managing Members
Company name: AVM-2005, LLC

RECEIVED
APR 12 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/18

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.

Nariman Afkhami
signature of owner/official

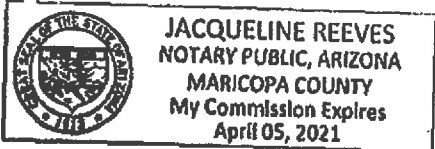
480.998.5440
telephone no.

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

THIS 12th DAY OF Maricopa
April 2019
(month) and (year)

MY COMMISSION EXPIRES 4-5-2021
(date)

Jacqueline Reeves
(signature of notary public)



AVM-2005, LLC
Annual Report
Verification and Sworn Statement
12/31/18

Verification and Sworn Statement

RECEIVED
APR 12 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Maricopa
Name (owner or official) title: Nariman Afkhami, Managing Members
Company name: AVM-2005, LLC

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

FOR THE YEAR ENDING: 12/31/18

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, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$11,266

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

N. Afkhami
signature of owner/official

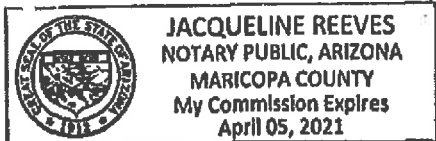
480.998.5440
telephone no.

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

THIS 12th DAY OF Maricopa
April 2019
(month) and (year)

MY COMMISSION EXPIRES

4-5-2021
(date)



[Signature]
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

RECEIVED

Verification:

State of Arizona I, the undersigned of the
(state name)

County of (county name): Maricopa
Name (owner or official) title: Nariman Afkhami, Managing Members
Company name: AVM-2005, LLC

APR 12 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/18

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, 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 THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$11,266
(The amount in the box above includes
\$0 in sales taxes
billed or collected)

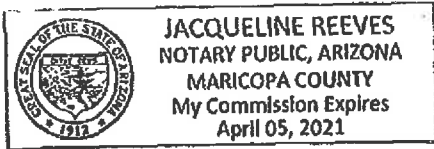
N. Afkhami
signature of owner/official

480.998.5440
telephone no.

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

THIS 12th DAY OF April, 2019
(county name) (month) and (year)

MY COMMISSION EXPIRES 4-5-2021
(date)



[Signature]
(signature of notary public)

2018 DEPRECIATION AND AMORTIZATION REPORT

OTHER DEPRECIATION

Asset No.	Description	Date Acquired	Method	Life	C o n v	Line No.	Unadjusted Cost Or Basis	Bus % Exg	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		17	60,000.				50,000.	25,200.		2,400.	27,600.
2	GOODWILL	05/04/07	197	180M		43	292,897.				292,897.	208,378.		19,526.	227,804.
	TOTAL OTHER DEPRECIATION & AMORT						352,897.				352,897.	233,478.		21,926.	255,404.

828111 04-01-18

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

1:30 PM
03/21/19
Accrual Basis

Signal Peak Water Co.
Profit & Loss
January through December 2018

	<u>Jan - Dec 18</u>
Ordinary Income/Expense	
Income	
4300 · Other Income	770.00
4000 · Water Sales	11,265.54
	<hr/>
Total Income	12,035.54
Cost of Goods Sold	
5000 · Cost of Goods Sold	
5010 · Water Purchases	8,511.41
5020 · Testing	500.00
5030 · Repairs & Maintenance	4,660.00
5040 · Operator Fees	24,000.00
5000 · Cost of Goods Sold - Other	8.22
	<hr/>
Total 5000 · Cost of Goods Sold	37,679.63
	<hr/>
Total COGS	37,679.63
	<hr/>
Gross Profit	-25,644.09
Expense	
6020 · Bad Debt Expense	826.96
6281 · Personal Property Tax	474.68
6010 · Amortization Expense	19,528.00
6080 · Depreciation	2,400.00
6040 · Bank Service Charges	10.00
6140 · Insurance	1,812.00
	<hr/>
6160 · Licenses and Fees	25.00
6230 · Professional Fees	
6232 · Accounting	1,000.00
6234 · Other	12.00
	<hr/>
Total 6230 · Professional Fees	1,012.00
	<hr/>
Total Expense	26,086.64
	<hr/>
Net Ordinary Income	-51,730.73
	<hr/>
Net Income	-51,730.73
	<hr/> <hr/>

1:34 PM

03/21/19

Accrual Basis

Signal Peak Water Co.
Balance Sheet Prev Year Comparison
As of December 31, 2018

	Dec 31, 18	Dec 31, 17	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1010 · Checking	1,107.72	1,521.54	-413.82	-27.2%
Total Checking/Savings	1,107.72	1,521.54	-413.82	-27.2%
Accounts Receivable				
1200 · Accounts Receivable	222.35	752.88	-530.53	-70.5%
Total Accounts Receivable	222.35	752.88	-530.53	-70.5%
Other Current Assets				
Deposit	83.48	83.48	0.00	0.0%
1499 · Undeposited Funds	922.57	802.83	119.74	14.9%
Total Other Current Assets	1,006.05	886.31	119.74	13.5%
Total Current Assets	2,336.12	3,160.73	-824.61	-26.1%
Fixed Assets				
1620 · Water Pipes	60,000.00	60,000.00	0.00	0.0%
1690 · Accum Depreciation	-27,600.00	-25,200.00	-2,400.00	-9.5%
Total Fixed Assets	32,400.00	34,800.00	-2,400.00	-6.9%
Other Assets				
1710 · Goodwill	292,897.34	292,897.34	0.00	0.0%
1720 · Accum Amortization	-228,667.52	-208,276.52	-20,389.00	-9.8%
1800 · Signal Peak Water Company	0.83	-862.17	863.00	100.1%
Total Other Assets	64,230.65	83,756.65	-19,526.00	-23.3%
TOTAL ASSETS	98,966.77	121,717.38	-22,750.61	-18.7%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts Payable	229,221.00	205,196.00	24,025.00	11.7%
Total Accounts Payable	229,221.00	205,196.00	24,025.00	11.7%
Other Current Liabilities				
2250 · Due to/from Shareholder	6,767.19	6,767.19	0.00	0.0%
Due to AREAD Management	12,450.00	7,700.00	4,750.00	61.7%
2200 · Sales Tax Payable	68.47	63.35	5.12	8.1%
2390 · Due to AREAD, Inc.	-1,500.00	0.00	-1,500.00	-100.0%
2550 · Customer Deposits	2,000.00	1,800.00	200.00	11.1%
Total Other Current Liabilities	19,785.66	16,330.54	3,455.12	21.2%
Total Current Liabilities	249,006.66	221,526.54	27,480.12	12.4%
Long Term Liabilities				
2150 · Note Payable	449,377.02	449,377.02	0.00	0.0%
Total Long Term Liabilities	449,377.02	449,377.02	0.00	0.0%
Total Liabilities	698,383.68	670,903.56	27,480.12	4.1%
Equity				
3001 · Capital Account	1,000.00	1,000.00	0.00	0.0%
3900 · Retained Earnings	-548,688.18	-498,261.73	-50,424.45	-10.1%
Net Income	-51,730.73	-51,924.45	193.72	0.4%
Total Equity	-599,416.91	-549,186.18	-50,230.73	-9.2%
TOTAL LIABILITIES & EQUITY	98,966.77	121,717.38	-22,750.61	-18.7%

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03/21/19

Accrual Basis

Signal Peak Water Co.
Trial Balance
As of December 31, 2018

	Dec 31, 18	
	Debit	Credit
1010 · Checking	1,107.72	
1001 · Checking NBA	0.00	
1200 · Accounts Receivable	222.35	
Deposit	83.48	
1240 · Due from AREAD Holdings, Inc.	0.00	
1499 · Undeposited Funds	922.57	
1620 · Water Pipes	60,000.00	
1690 · Accum Depreciation		27,600.00
1710 · Goodwill	292,897.34	
1720 · Accum Amortization		228,667.52
1700 · Organizational Costs	0.00	
1800 · Signal Peak Water Company	0.83	
1801 · Supplemental Earnest Deposit	0.00	
2000 · Accounts Payable		229,221.00
2250 · Due to/from Shareholder		6,767.19
Due to AREAD Management		12,450.00
Due to AREAD Holdings, Inc.	0.00	
2200 · Sales Tax Payable		68.47
2390 · Due to AREAD, Inc.	1,500.00	
2550 · Customer Deposits		2,000.00
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	548,686.18	
4300 · Other Income		770.00
4000 · Water Sales		11,265.54
5000 · Cost of Goods Sold	8.22	
5000 · Cost of Goods Sold:5010 · Water Purchases	8,511.41	
5000 · Cost of Goods Sold:5020 · Testing	500.00	
5000 · Cost of Goods Sold:5030 · Repairs & Maintenance	4,660.00	
5000 · Cost of Goods Sold:5040 · Operator Fees	24,000.00	
6020 · Bad Debt Expense	826.96	
6281 · Personal Property Tax	474.68	
6010 · Amortization Expense	19,526.00	
6080 · Depreciation	2,400.00	
6040 · Bank Service Charges	10.00	
6140 · Insurance	1,812.00	
6160 · Licenses and Fees	25.00	
6230 · Professional Fees:6232 · Accounting	1,000.00	
6230 · Professional Fees:6234 · Other	12.00	
TOTAL	969,186.74	969,186.74

2:58 PM

02/19/19

Accrual Basis

Signal Peak Water Co.
Custom Transaction Detail Report

January through December 2018

Type	Date	Num	Name	Memo	Account	Class	Clr	Split	Debit	Credit	Balance
Jan - Dec 18											
Invoice	01/22/2018	4784	HYDE, JOE	Deposit	2550 - Customer Deposits			1200 - Account...		100.00	100.00
Invoice	02/12/2018	4822	THOMAS, JENNIFER	Deposit	2550 - Customer Deposits			1200 - Account...		50.00	150.00
Invoice	11/01/2018	5114	JEAN, RONEL	Deposit	2550 - Customer Deposits			1200 - Account...		50.00	200.00
Jan - Dec 18									0.00	200.00	200.00

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03/20/19

Signal Peak Water Co.
Journal Entries Entered/Modified Today
All Transactions

Trans #	Type	Entered/Last Modified	Date	Num	Name	Memo	Account	Debit	Credit
11470	General Journal	03/20/2019 15:45:01	12/31/2018	AJE263		To record Depreciation...	6080 - Depreciation	2,400.00	
						To record Depreciation...	6010 - Amortization Expense	19,526.00	
						To record Depreciation...	1690 - Accum Depreciation		2,400.00
						To record Depreciation...	1720 - Accum Amortization		19,526.00
							21,926.00	21,926.00	
11471	General Journal	03/20/2019 15:45:32	12/31/2018	AJE264	Other	To Roll retained earnings	1499 - Undeposited Funds	150.00	
						To Roll retained earnings	1600 - Signal Peak Water Company	863.00	
						To Roll retained earnings	2390 - Due to AREAD, Inc.	1,500.00	
						To Roll retained earnings	1200 - Accounts Receivable		150.00
						To Roll retained earnings	1720 - Accum Amortization		863.00
							1,500.00		
							2,513.00	2,513.00	
TOTAL							24,439.00	24,439.00	

3/21/19
7:53:58

Arizona Water Company
Customer Inquiry

Account Number 041-28-99901---1 Parcel# NA Backflow Required Y
 Name SIGNAL PEAK WATER DBS AVN-2005 Add'l Inf
 Mail Addr 7150 E CAMELBACK RD STE 400
 Service Addr MISCELLANEOUS SCOTTSDALE AZ 85251

Service Date 12/30/10 Inactive Date 0/00/00 SurePay Account Status

TRANSACTION HISTORY

Dollar Amount	Usage	Type	Bill Mo/Yr	Addl Info
600.46-		PMTF	8/17	7/21/17
495.20	2362	LB	8/17	MTR REV
		LB	8/17	MTR USAGE
		MR	8/17	
		MR	8/17	
37.49			8/17	Cap Surch
532.69-		PMTF	9/17	8/21/17
480.59	2268	LB	9/17	MTR REV
		LB	9/17	MTR USAGE
		MR	9/17	
		MR	9/17	
36.00			9/17	Cap Surch
516.59-		PMTF	10/17	9/13/17
489.14	2323	LB	10/17	MTR REV
		LB	10/17	MTR USAGE
		MR	10/17	
		MR	10/17	
36.87			10/17	Cap Surch
533.92-		PMTF	11/17	10/31/17
600.52	2005	LB	11/17	MTR REV
		LB	11/17	MTR USAGE
		MR	11/17	
		MR	11/17	
31.82			11/17	Cap Surch
7.91		LC	11/17	LATE CHG
632.34-		PMTF	12/17	11/20/17
		MR	12/17	
		MR	12/17	
676.93-		PMTF	1/18	12/20/17
641.82	2212	LB	1/18	MTR REV
		LB	1/18	MTR USAGE
528.08	1646	LB	1/18	MTR REV
		LB	1/18	MTR USAGE
		MR	1/18	
		MR	1/18	
35.11			1/18	Cap Surch
26.13			1/18	Cap Surch
555.01-		PMTF	2/18	1/12/18
549.83	1751	LB	2/18	MTR REV
		LB	2/18	MTR USAGE

3/21/19
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Arizona Water Company
Customer Inquiry

Account Number 041-28-99901---1 Parcel# NA Backflow Required Y
 Name SIGNAL PEAK WATER DBS AVH-2005 Add'l Inf
 Mail Addr 7150 E CAMELBACK RD STE 400
 Service Addr MISCELLANEOUS SCOTTSDALE AZ 85251

Service Date 12/30/10 Inactive Date 0/00/00 SurePay Account Status

TRANSACTION HISTORY

Dollar Amount	Usage	Type	Bill Mo/Yr	Addl Info
67.13		MR	8/18	
744.27-		PMTP	8/18	Cap Surch
743.38	✓2721	LB	9/18	8/17/18
		LB	9/18	MTR REV
		MR	9/18	MTR USAGE
		MR	9/18	
		MR	9/18	
76.46		PMTP	10/18	Cap Surch
819.84-		LB	10/18	9/14/18
629.64	✓2151	LB	10/18	MTR REV
		MR	10/18	MTR USAGE
		MR	10/18	
		MR	10/18	
60.44		PMTP	11/18	Cap Surch
690.08-		LB	11/18	10/16/18
654.19	✓2274	LB	11/18	MTR REV
		MR	11/18	MTR USAGE
		MR	11/18	
		MR	11/18	
63.90		PMTP	12/18	Cap Surch
718.09-		LB	12/18	11/19/18
706.47	✓2536	LB	12/18	MTR REV
		MR	12/18	MTR USAGE
		MR	12/18	
		MR	12/18	
71.26		PMTP	1/19	Cap Surch
777.73-		LB	1/19	12/12/18
693.89	✓2473	LB	1/19	MTR REV
		MR	1/19	MTR USAGE
		MR	1/19	
		MR	1/19	
69.49		PMTP	2/19	Cap Surch
763.38-		LB	2/19	1/22/19
607.49	2040	LB	2/19	MTR REV
		MR	2/19	MTR USAGE
		MR	2/19	
		MR	2/19	
57.33		PMTP	3/19	Cap Surch
664.82-		LB	3/19	2/20/19
595.53	1980	LB	3/19	MTR REV
		MR	3/19	MTR USAGE

3/21/19
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Arizona Water Company
Customer Inquiry

PAGE 1

Account Number 041-28-99901---1 Parcel# NA Backflow Required Y
 Name SIGNAL PEAK WATER DBS NVM-2005 Add'l Inf
 Mail Addr 7150 E CAMELBACK RD STE 400
 Service Addr MISCELLANEOUS SCOTTSDALE AZ 85251
 Service Date 12/30/10 Inactive Date 0/00/00 SurePay Account Status

TRANSACTION HISTORY

Dollar Amount	Usage	Type	Bill Mo/Yr	Addl Info
		MR	2/18	
		MR	2/18	
27.79			2/18	Cap Surch
577.62-		PMTP	3/18	2/20/18
561.80	✓1811	LB	3/18	MTR REV
		LB	3/18	MTR USAGE
		MR	3/18	
		MR	3/18	
50.89			3/18	Cap Surch
612.69-		PMTP	4/18	3/20/18
632.24	✓2164	LB	4/18	MTR REV
		LB	4/18	MTR USAGE
		MR	4/18	
		MR	4/18	
60.80			4/18	Cap Surch
44.22-		MAP	4/18	MR
5.53-		MAP	4/18	MR
648.82-		PMTP	5/18	4/10/18
660.77	✓2307	LB	5/18	MTR REV
		LB	5/18	MTR USAGE
		MR	5/18	
		MR	5/18	
64.82			5/18	Cap Surch
44.22-		MAP	5/18	CRDT MEMO
675.84-		PMTP	6/18	5/16/18
641.42	✓2210	LB	6/18	MTR REV
		LB	6/18	MTR USAGE
44.22		LB	6/18	MTR REV
		MR	6/18	
		MR	6/18	
62.10			6/18	Cap Surch
747.74-		PMTP	7/18	6/14/18
851.93	✓3265	LB	7/18	MTR REV
		LB	7/18	MTR USAGE
		MR	7/18	
		MR	7/18	
91.75			7/18	Cap Surch
943.68-		PMTP	8/18	7/13/18
677.14	✓2389	LB	8/18	MTR REV
		LB	8/18	MTR USAGE
		MR	8/18	