

EDWARDS, WADE & PERRY, CPAs APAC
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Mount Olive Water District
P. O. Box 585
Grambling, LA 71245

We have compiled the accompanying balance sheet of Mount Olive Water District as of December 31, 2005 and the related statement of income for the twelve months ended December 31, 2005 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them. However, we did become aware of a departure from generally accepted accounting principles [GAAP] that is described in the following paragraph.

Management has elected to omit substantially all of the disclosures and statement of cash flows required by GAAP. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Edwards, Wade & Perry

Edwards, Wade & Perry, CPAs APAC
March 27, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5-17-06

Mt. Olive Water Works
Balance Sheet
As of December 31, 2005

	<u>Dec 31, 05</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking	44,607.26
Contingency Fund	2,300.00
Reserve Fund	2,300.00
Security Fund	6,310.67
Total Checking/Savings	<u>55,517.93</u>
Other Current Assets	
Accounts Receivable	13,857.02
Total Other Current Assets	<u>13,857.02</u>
Total Current Assets	69,374.95
Fixed Assets	
Accumulated Depreciation	-147,817.30
PP&E	316,910.21
Total Fixed Assets	<u>169,092.91</u>
TOTAL ASSETS	<u><u>238,467.86</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Interest	88.76
Customer Deposits	8,773.97
Payroll Liabilities	850.46
Sales Tax Payable	848.00
Total Other Current Liabilities	<u>10,561.19</u>
Total Current Liabilities	10,561.19
Long Term Liabilities	
USDA Bond Payable	65,534.22
USDA Note Payable	5,001.56
Total Long Term Liabilities	<u>70,535.78</u>
Total Liabilities	81,096.97
Equity	
Contributed Capital	148,226.00
Prior Period Adjustments	30,000.00
Retained Earnings	-19,402.48
Net Income	-1,452.63
Total Equity	<u>157,370.89</u>
TOTAL LIABILITIES & EQUITY	<u><u>238,467.86</u></u>

See accountant's compilation report.

Mt. Olive Water Works
Statement of Income
 January through December 2005

	Jan - Dec 05
Income	
Water Sales	95,817.19
Total Income	95,817.19
 Total Income	95,817.19
 Expense	
Administrative Expenses	9,840.00
Advertising	108.00
Auto & Truck Parts	435.72
Bad Checks	828.93
Bank Service Charges	56.00
Dues & Subscriptions	200.00
Equipment Rental	774.06
Insurance	798.00
Interest	4,135.33
Legal & Collection Fees	10.00
Office Equipment	1,367.31
Office Maintenance	69.39
Office Supplies	674.68
Outside Services	11,001.88
Postage	1,530.09
Professional Services	4,320.00
Salaries	15,960.00
Sales Tax	3,060.00
Technical Services	8,200.00
Telephone	1,970.63
Travel	1,958.06
Depreciation	5,354.42
Installation Materials	430.06
Operating Supplies	2,447.00
Outside Labor	1,281.55
Payroll Taxes	1,283.94
System Maintenance	6,166.29
Utilities	1,792.73
Water Purchases	11,215.75
Total Expense	97,269.82
 Net Income	-1,452.63

See accountant's compilation report.