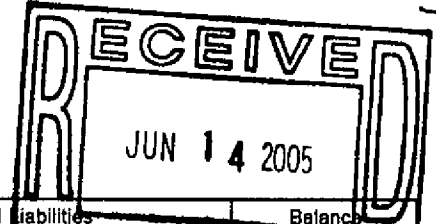


2004 Annual Report

BENBOW WATER CORPORATION ESTIMATED SCHEDULE A-BALANCE SHEET (December 31, 2004)



Line	acct.	Assets	Balance	acct.	Equity and Liabilities	Balance
1	101	Water plant in service	631,638.47	201	Common Stock (Corporations only)	
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Water plant purchased or sold		215	Retained earnings	154,152.34
4	105	Water plant construction work in progress		218	Proprietary capital	227,443.93
5	108	Accumulated depreciation of water plant	(152,431.25)	224	Long term debt	177,140.69
6	114	Water plant acquisition adjustments			Current Liabilities	51,183.28
7	124	Other investments		252	Advances for construction	
8	131	Cash	9,405.00	253	Other deferred credits	
9	141	Accounts receivable	18,203.00	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes-Acra	
11	151	Material and supplies			depreciation	
12	174	Other current assets	3,650.00	283	Accumulated deferred income taxes-other	
13	180	Deferred charges		271	Contributions in aid of construction	24,939.67
14		*Acc. Amort. of SDWBA Loan (108.4)	99,455.00		Accumulated Dep. (Cont. in aid of Const.)	(24,939.67)
15		Total Assets	609,920.22		Total Equity and Liabilities	609,920.22

Cash:

#131.3 (Six River National Bank) 9,405.00

Accounts Receivable:

#141.0 (A/R Customers) 18,203.00

#141.5 (Officer Receivable)

Other Current Assets:

#174.1 (Prepaid Insurance) 1,550.00

#174.5 (Prepaid Workers Comp) 2,100.00

Current Liabilities:

#231.0 (Accounts Payable) 7,500.00

#231.1 (Salaries & Wages Payable) 12,800.00

#231.2 (Other Payables)

#231.6 (Retirement Account) 7,540.00

#233.0 (Customer Deposits)

#236.0 (Taxes Accrued) 8,343.28

#241.2 (Notes Payable, Land) 15,000.00

16	BENBOW WATER CORPORATION						
17	ESTIMATED SCHEDULE B-WATER PLANT IN SERVICE (December 31, 2004)						
18							
19			Balance	Plnt. Addts.	Plt. Retmnts	Other Debits	Balance
20	Acct.	Title of Account	Beg. of Year	During Year	During Year	or (Credits)	End of Year
21	301	Intangible Plant	100,356.68				100,356.68
22	303	Land	17,100.00				17,100.00
23	304	Structures	75,482.62	1,933.94			77,416.56
24	307	Wells	15,084.38				15,084.38
25	317	Other water source plant					
26	311	Pumping equipment	83,962.74	570.12			84,532.86
27	320	Water treatment plant	95,211.56	1,199.66			96,411.22
28	330	Reservoirs, tanks and standpipes	88,326.34	4,532.50			92,858.84
29	331	Water mains	78,907.02				78,907.02
30	333	Services and meter installations	8,699.32	708.57			9,407.89
31	334	Meters	16,626.41	302.26			16,928.67
32	335	Hydrants	3,138.46				3,138.46
33	339	Other equipment	11,161.68	764.04			11,925.72
34	340	Office furniture and equipment	23,913.13	226.72			24,139.85
35	341	Transportation equipment	3,430.32				3,430.32
36		Total water plant in service	621,400.66	10,237.81			631,638.47

37	BENBOW WATER CORPORATION		
38	SCHEDULE C-RESERVE FOR DEPRECIATION OF UTILITY PLANT (December 31, 2004)		
39			
40			
41		Account 108	Account 108.1
42	item	Water Plant	SDWBA Loans
43	Balance in reserves at beginning of year	142,083.90	A. Method used to compute depreciation
44	Add: Credits to reserves during year		expense (Acct. 403) and rate
45	(a) Charged to account no. 403*	12,340.35	2.40%
46	(b) Charged to account no. 272		
47	(c) Charged to clearing accounts		A. Amount of depreciation expense claimed
48	(d) Salvage recovered		on utility property in your federal
49	(e) All other credits	(1,973.00)	income tax return for the year covered
50	Total credits*	10,367.35	by this report. \$
51	Deduct: Debts to reserves during year		
52	(a) Book cost of property retired		
53	(b) Cost of removal		A. State method used to compute tax
54	(c) All other debits		depreciation:
55	Total debits		
56	Balance in reserve at end of year	152,431.25	
57			
58			
59			
60			
61			

*2.40% of Total Water Plant in Service less Intangible Plant & Land
#272=25yrs S.L.#271

5	ESTIMATED SCHEDULE E-LONG TERM DEBT (December 31, 2004)							
6		Date		Principal	Outstanding	Rate of	Interest	Interest
7		of	Date of	Authorized	per Balance	Interest	Accrued	Paid
8		Issue	Maturity		Sheet		During Year	During Year
9	Small Business Admin.	7/23/1974	2004	40,000.00	2,892.23	5.0%		100.00
10	S.D.W.B.A.	12/1/1981	2006	100,000.00				
11	Vere B. Benbow (WTP)	6/1/1994	2004	65,000.00	23,002.29	11.0%		1,600.00
12	Vere B. Benbow (WTP2)	10/1/1996	2000	10,000.00		10.0%		
13								
14								
15	Judy G. Benbow (CB)	7/1/1999	2009	40,000.00	26,973.95	10.5%		3,100.00
16	Vere B. Benbow (Z1 Tank)	9/1/2003	2013	85,000.00	83,271.77	9.5%		2,400.00
17	Vere B. Benbow (Z2-3)	11/1/1999	2009	45,000.00	31,200.45	9.5%		2,700.00
18	Judy G. Benbow (Turb)	7/4/2003	2009	10,000.00	10,000.00	9.5%		780.00

13	BENBOW WATER CORPORATION	
14	SCHEDULE F-INCOME STATEMENT	
15		Operating Revenues
16	460	Unmetered water revenue
17	462	Fire protection revenue
18	465	Irrigation revenue
19	470	Metered water revenue
20	480	Other water revenue*
21		Total Operating Revenue
22		Operating Revenue Deductions
23		Operating expenses
24	610	Purchased Water
25	615	Power
26	618	Other volume related expenses
27	630	Employee labor
28	640	Materials
29	650	Contract work
30	660	Transportation expenses
31	664	Other plant maintenance expense
32	670	Office salaries
33	671	Management salaries
34	674	Employee pensions and benefits
35	676	Uncollectible accounts expense
36	678	Office services and rentals
37	681	Office supplies and expense
38	682	Professional services
39	684	Insurance
40	688	Regulatory commission expense
41	689	General expenses
42		Total Operating Expenses
43	403	Depreciation Expense
44	407	SDWBA loan amortization expense
44	408	Taxes other than income taxes
45	409	State corporate income tax expense
46	410	Federal corporate income tax expense
47		Total Operating Revenue Deductions
48	421	Non-utility income
49	426	Miscellaneous non-utility expense
50	427	Interest expense
51		Net Income

*CPUC Surcharge, late fees, misc.

54	BENBOW WATER COMPANY					
55	SCHEDULE I-EMPLOYEES AND THEIR COMPENSATION					
56						
57	Acct.	Account	Number at end of year	Salaries charged to Expense	Salaries charged to Plant Accounts	Total Salaries and Wages Paid
58	630	Employee Labor*	1	12,016.60		12,016.60
59	670	Office Salaries				
60	671	Management Salaries*	1	18,000.00		18,000.00
61		Total	2	30,016.60		30,016.60

Does not include wages and salaries payable & charged to plant accounts

**BENBOW WATER CORPORATION
SCHEDULE G-SOURCES OF SUPPLY & WATER DEVELOPED WELLS**

Location	no.	Diam. inch	Depth to water feet	Pumping capacity	Annual quantities
Fern Springs #1		72	20	190	32,839,000
East Branch #2		48	16		

SCHEDULE K-TOTAL METERS AND SERVICES

Size	Meters	Services
5/8X 3/4-in.	30	XXXX
3/4-in.	53	2
1-in.	5	93
1 1/2-in.	1	1
2-in.	2	3
4-in.	1	1
Total	92	100

SCHEDULE L-METER TESTING DATA

Number of meter tested during year
1. Used, befor repair
2. Used, after repair
3. Fast, requireing refund
Number of meters in service requiring test per GO #103


SCHEDULE M-SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	77		77	2		2	79	
Industrial								
Commercial	15		15	3			18	
Subtotal	92		92				92	
Fire Protection	1		1				1	
Total	93		93	5		2	98	

SCHEDULE N-STORAGE

SCHEDULE O-FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Desc	No.	Combined capacity	Description	2" and under	2 1/2" to 3 1/2"	4"	Other sizes		Totals
							6"	8"	
Concrete			Cast iron					150	150
Wood	2	41,000	Screwed stl.						
Steel			AC			4,885	7,026		11,911
Other	2	10,000	Plastic	1,829	1,802	4,941	1,133	1,780	11,485
			Poly.	2,000					2,000
Total	4	51,000	Total	3,829	1,802	9,826	8,159	1,930	25,546


 Signed _____
 Title JRS
 Date 6-5-05