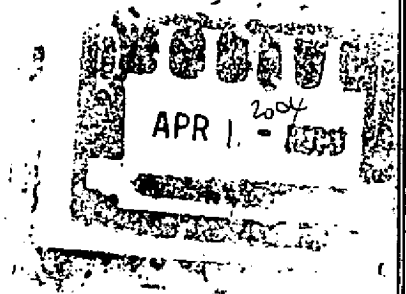


Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____



2003
ANNUAL REPORT
OF

TWIN LAKES ENTERPRISES, INC.

TWIN LAKES ENTERPRISES, INC.

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

P. O. Box 455

Bridgeport, CA

93517

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2003

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2004
(FILE TWO COPIES IF THREE RECEIVED)

INSTRUCTIONS

1. One completed copy of this report (two copies if three received) must be filed **NOT LATER THAN MARCH 31**, following the year covered by the report, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298**

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath, on the last page, must be signed by an officer, partner or owner.
4. The report must be prepared in ink or by the use of a typewriter. Computer generated report forms may be substituted.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts refer to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report.
9. This report must cover a calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

Financial statements and accountants' compilation report

Twin Lakes Enterprises, Inc.

December 31, 2003

Accountants' Compilation Report

Twin Lakes Enterprises, Inc.

We have compiled the financial statements and additional information of Twin Lakes Enterprises, Inc. for the year ended December 31, 2003, included in Schedules A, B, C, D, F, I, M, N and O, the selected financial data, and the supplementary schedules on the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Public Utilities Commission - State of California, information that is the representation of management. We have not audited or reviewed the financial statements, nor the additional information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Public Utilities Commission - State of California, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Grant Thornton LLP

Reno, Nevada
March 5, 2004

Account Number	Operating Revenue	
470	Metered	-
460	Unmetered	40,883
465	Irrigation	-
462-480	Private Fire Protection	-
	Total Revenue	40,883
	Operating Expenses	
610	Purchased Water	-
615	Purchased Power	1,269
	Pump Taxes	-
	Purchased Chemicals	174
618	Other Vol. Related exp.	93
630	Employee Labor	2,120
640	Materials	-
650	Contract Work	-
	Water Testing	284
660	Transportation Expense	-
664	Other Plant Maintenance	4,324
670	Office Salaries	-
671	Management Salaries	-
674	Employee Pensions and Benefits	-
676	Uncollectables	-
678	Office Service and Rentals	4,880
681	Office Supplies and Expense	318
682	Professional Services	4,892
684	Insurance	4,327
688	Regulatory Expense	1,736
689	General Expense	-
	Subtotal	24,417
403	Depreciation Expense	2,123
	Ad Valorem Taxes	-
	Payroll taxes	162
408	Taxes other than income	377
409	State Income Tax	800
410	Federal Income Tax	-
	Total Deductions	27,879
	Net Revenue	13,004
	Rate Base	

	Average Plant	196,701
	Average Depreciation Reserve	164,657
	Net Plant	32,044
	Less: Advances	-
	Less: Contributions	-
	Plus: Construction Work in Progress	-
	Plus: Working Cash	29,695
	Plus: Material & Supplies	-
	Rate Base	61,739
	ROR=Net Rev/Rate Base	21.06%

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Twin Lakes Enterprises, Inc.

(Name under which corporation, partnership or individual is doing business)

P.O. Box 455, Bridgeport, CA 93517

(Official mailing address)

Twin Lakes, Mono County

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization 10/25/91 incorporated in the State of Nevada
 - (B) Names, titles and addresses of principal officers:

- 2 If unincorporated give the name and address of owner or of each partner:

- 3 Name and telephone number of:
 - (A) One person listed above to receive correspondence: Norman W. Annett, Phone: 760-932-7649
 - (B) Person responsible for operations and services: Norman W. Annett, Phone: 760-932-7649

- 4 Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No) No
If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?

- 5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:
Norman W. Annett

PUBLIC HEALTH STATUS

- 6 Has state or local health department inspection been made during the year?
- 7 Are routine laboratory tests of water being made?
- 8 Has state health department water supply permit been obtained? (Indicate date)
- 9 If no permit has been obtained, state whether application has been made and when.
- 10 Show expiration date if state permit is temporary.

Yes	No	Latest Date
X		Oct-03
X		Nov-03
X		Sep-94

SPECIAL INSTRUCTIONS (over)

SPECIAL INSTRUCTIONS

- 1 Beginning of year balances must agree with end of year balances shown in report for previous year. Attach a supplementary statement to explain any differences.**
- 2 Attach a supplementary statement to explain adjustments in Schedule B - Water Plant in Service.**
- 3 Complete all schedules, using the words "None" or "Not applicable" if appropriate.**
- 4 Report must be prepared legibly in ink or by typewriter.**

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2003

NAME OF UTILITY Twin Lakes Enterprises, Inc.

PHONE 760-932-7649

PERSON RESPONSIBLE FOR THIS REPORT Norman W. Annett

(Prepared from Information in the 2003 Annual Report)

	01/01/03	12/31/03	Average
BALANCE SHEET DATA			
1 Intangible Plant	150	150	150
2 Land and Land Rights	2,000	2,000	2,000
3 Depreciable Plant	194,551	194,551	194,551
4 Gross Plant in Service	196,701	196,701	196,701
5 Less: Accumulated Depreciation	163,595	165,718	164,657
6 Net Water Plant in Service	33,106	30,983	32,044
7 Water Plant Held for Future Use	-	-	-
8 Construction Work in Progress	-	-	-
9 Materials and Supplies	-	-	-
10 Less: Advances for Construction	-	-	-
11 Less: Contribution in Aid of Construction	-	-	-
12 Less: Accumulated Deferred Income and Investment Tax Credits	-	-	-
13 Net Plant Investment	<u>33,106</u>	<u>30,983</u>	<u>32,044</u>
CAPITALIZATION			
14 Common Stock	2,500	2,500	2,500
15 Proprietary Capital (Individual or Partnership)	-	-	-
16 Paid-in Capital	-	-	-
17 Retained Earnings	51,666	60,670	56,168
18 Common Stock and Equity (Lines 14 through 17)	54,166	63,170	58,668
19 Preferred Stock	-	-	-
20 Long-Term Debt	-	-	-
21 Notes Payable	-	-	-
22 Total Capitalization (Lines 18 through 21)	<u>54,166</u>	<u>63,170</u>	<u>58,668</u>

(Revised 2/01)

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

2003

(continued)

NAME OF UTILITY Twin Lakes Enterprises, Inc.

PHONE 760-932-7649

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	40,883
24	Fire Protection Revenue	-
25	Irrigation Revenue	-
26	Metered Water Revenue	-
27	Total Operating Revenue	40,883
28	<u>Operating Expenses</u>	24,417
29	Depreciation Expense (Composite Rate 1.09%)	2,123
30	Amortization and Property Losses	-
31	Property Taxes	-
32	Taxes Other Than Income Taxes	539
33	Total Operating Revenue Deduction Before Taxes	27,079
34	California Corp. Franchise Tax	800
35	Federal Corporate Income Tax	-
36	Total Operating Revenue Deduction After Taxes	27,879
37	Net Operating Income (Loss) - California Water Operations	13,004
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	-
39	Income Available for Fixed Charges	13,004
40	Interest Expense	-
41	Net Income (Loss) Before Dividends	13,004
42	Preferred Stock Dividends	-
43	Net Income (Loss) Available for Common Stock	13,004

OTHER DATA

44	Refunds of Advances for Construction	-
45	Total Payroll Charged to Operating Expenses	2,120
46	Purchased Water	-
47	Power	1,269

<u>Active Service Connections</u>		<u>(Exc. Fire Protect.)</u>		Annual Average
	Jan. 1	Dec. 31		
48	Metered Service Connections	-	-	-
49	Flat Rate Service Connections	147	149	148
50	Total Active Service Connections	147	149	148

**CLASS B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA**

Not Applicable

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1. Current Fiscal Agent:

Name: _____

Address: _____

Phone Number: _____

Date Hired: _____

2. Former Fiscal Agent:

Name: _____

Address: _____

Phone Number: _____

Date Hired: _____

3. Total surcharge collected from customers during the 12 month reporting period:

\$ _____

4. Summary of the trust bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Withdrawals made for loan payments	_____
Other withdrawals from this account	_____
Balance at end of year	_____

5. Account information:

Bank Name: _____

Account Number: _____

Date Opened: _____

6. Plant amounts included in Schedule A, Account No. 101--Water Plant in Service which were funded using SDWBA funds:

Not Applicable

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2003)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	176,851	201	Common Stock (Corporations only)	2,500
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	60,670
4	105	Water plant construction work in progress	-	218	Proprietary capital	-
5	108	Accumulated depreciation of water plant	(96,346)	224	Long term debt	-
6	114	Water plant acquisition adjustments	(55,315)		Current Liabilities	-
7	124	Other investments	-	252	Advances for construction	-
8	131	Cash	29,695	253	Other deferred credits	-
9	141	Accounts receivable - customers	-	255	Accumulated deferred investment tax credits	-
10	142	Receivables from associated companies	2,492	282	Accumulated deferred income taxes - Acrs	-
11	151	Materials and supplies	-		depreciation	-
12	174	Other current assets	-	283	Accumulated deferred income taxes - other	-
13	180	Deferred charges	(14,057)	271	Contributions in aid of construction	-
14		Abandoned Well	19,850	272	Accumulated amortization of contributions	-
15		Total Assets	63,170		Total Equity and Liabilities	63,170

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant	150	-	-	-	150
17	303	Land	2,000	-	-	-	2,000
18	304	Structures	-	-	-	-	-
19	307	Wells	44,557	-	-	-	44,557
20	317	Other water source plant	-	-	-	-	-
21	311	Pumping equipment	9,370	-	-	-	9,370
22	320	Water treatment plant	-	-	-	-	-
23	330	Reservoirs tanks and sandpipes	10,001	-	-	-	10,001
24	331	Water mains	102,836	-	-	-	102,836
25	333	Services and meter installations	-	-	-	-	-
26	334	Meters	-	-	-	-	-
27	335	Hydrants	-	-	-	-	-
28	339	Other equipment	7,937	-	-	-	7,937
29	340	Office furniture and equipment	-	-	-	-	-
30	341	Transportation equipment	-	-	-	-	-
31		Total water plant in service	176,851	-	-	-	176,851

* Debit or credit entries should be explained by footnotes or supplementary schedules

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
32	Balance in reserves at beginning of year	95,300	-	A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	1,046	-	
35	(b) Charged to Account No. 272	-	-	
36	(c) Charged to clearing accounts	-	-	B. Amount of depreciation expense claimed
37	(d) Salvage recovered	-	-	or to be claimed on utility property in
38	(e) All other credits	-	-	your federal income tax return for the year
39	Total credits	1,046	-	covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired	-	-	
42	(b) Cost of removal	-	-	C. State method used to compute tax
43	(c) All other debits	-	-	depreciation.
44	Total debits	-	-	
45	Balance in reserve at end of year	97,392	-	
46	(1) Explanation of all other credits	-	-	
47	(2) Explanation of all other debits	-	-	

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	N/A
Additions during year	
Subtotal - Beginning balance plus additions during year	
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	

**SCHEDULE K - TOTAL METERS
AND SERVICES (active and inactive)**

Size	Meters	Services
5/8 x 3/4-in	N/A	
3/4-in		
1-in		
-in		
-in		
Total		

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year		
1	Used, before repair...	N/A
2	Used, after repair	
3	Fast, requiring refund ..	
Numbers of meters in service requiring test per General Order No. 103		

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	-	149	149	-	-	-	-	149
Industrial	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Subtotal	-	149	149	-	-	-	-	149
Fire protection (Hydrants)	-	-	-	-	-	-	-	-
Total	-	149	149	-	-	-	-	149

NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

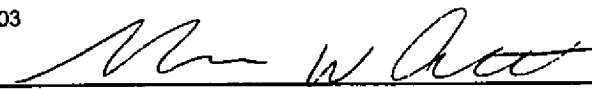
Description	No.	Combined capacity in gallons	Description	Footages				Totals
				2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete	2	80,000	Cast Iron	629		4,140	2,920 6"	7,689
Earth			Welded steel			1,900	2,300 6"	4,200
Wood			Standard screw					
Steel			Cement-asbestos					
Other			Plastic		450	600	14,750 6"	15,800
			Other (specify)					
Total	2	80,000	Total	629	450	6,640	19,970	27,689

DECLARATION

(BEFORE SIGNING PLEASE CHECK TO SEE THAT ALL SCHEDULES HAVE BEEN COMPLETED)

I, the undersigned (officer, partner or owner) of Twin Lakes Enterprises, Inc., under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period

From and including January 1, 2003, to and including December, 2003


 Signed _____ Norman W. Annett
 Title Pres.
 Date 3/20/04