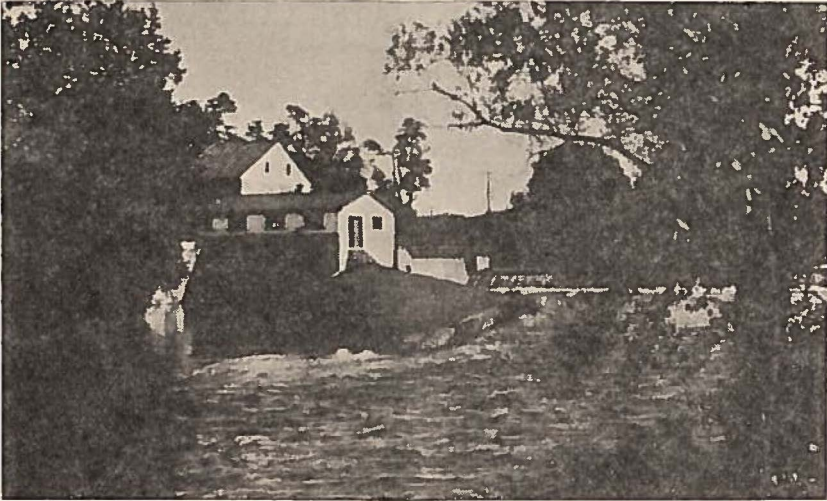


558.7
N8148
1944



PUMPING STATION AND FILTRATION PLANT OF RIVERTON CONSOLIDATED
WATER COMPANY AT NEW CUMBERLAND, PENNSYLVANIA.

Annual Report
of
Northeastern Water
Company

FOR THE YEAR ENDED
DECEMBER 31, 1944

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NORTHEASTERN WATER COMPANY

Directors

JOHN H. WARE, JR., *Chairman of the Board*

BOYD A. BENNETT, *President*

JOHN J. BARR
Vice President and Assistant Treasurer

LAWRENCE T. REINICKER
Vice President

HERBERT W. BRIGGS

RUSSELL J. SHARPE

LAWRENCE J. OSTERMAYER, JR.

THOMAS A. TUNNEY

JAMES T. WOODWARD

Officers

JOHN H. WARE, JR.....Chairman of the Board

BOYD A. BENNETT.....President

JOHN J. BARR.....Vice President and Assistant Treasurer

LAWRENCE T. REINICKER.....Vice President

WILLIAM B. MACINDOE.....Secretary and Assistant Treasurer

ROBERT F. MILLER.....Assistant Secretary

Transfer AgentChemical Bank & Trust Company
165 Broadway, New York 15, N. Y.

Co-Transfer AgentThe First National Bank of Jersey City, N. J.
One Exchange Place, Jersey City 3, N. J.

RegistrarThe Chase National Bank of the City of
(\$4 Prior Preferred Stock only) New York
11 Broad Street, New York 5, N. Y.

Annual MeetingFirst Tuesday in May

Office100 West 10th Street,
Wilmington 99, Delaware

Neither this report, nor any statement contained herein, is furnished in connection with any offering of securities or for the purpose of promoting or influencing the sale or purchase of securities.

338.7
N8148
1944

Annual Report of Northeastern Water Company

Wilmington 99, Delaware.
April 23, 1945.

To the Stockholders of

NORTHEASTERN WATER COMPANY:

The operations of all subsidiary companies in the year 1944 were devoted exclusively to furnishing water and sewer services, a result achieved by the completion in 1943 of the program of disposing of all subsidiary companies not so engaged.

Under the present rules of the Securities and Exchange Commission, the Company and its subsidiaries are exempt from the provisions of the Public Utility Holding Company Act of 1935.

The West Helena Water Works Company, a subsidiary which had operated in the state of Arkansas, sold its entire physical property, in March, 1944, and is now in process of liquidation. A new subsidiary company, Lakewood Water Company, which supplies Lakewood, New Jersey and vicinity with water and sewer services, was acquired in October, 1944.

A complete list of operating subsidiaries, as at the end of the year 1944, is furnished on Page 14 of this report. Such companies serve approximately 71,000 customers in 101 communities having an estimated population of 267,000. The Company in addition has two other subsidiaries, Water Utilities Service Corporation and Municipal Management Company, which render under contracts, management and supervisory services, relating to water and sewer operations. The services of Water Utilities Service Corporation are available only to affiliate companies, and are on a non-profit basis. Municipal Management Company renders services primarily to non-affiliated entities, under contracts for periods of 30 to 40 years, and for profit upon a contingent fee basis.

Pursuant to an agreement of merger, the holdings of your Company in the preferred stocks of Virginia Public Service Company were exchanged into \$5 Preferred Stock of Virginia Electric and Power Company. Simultaneously with the exchange, which was effected in May, 1944, 10,000 shares of the new stock were sold. The remaining 10,444 shares of the new \$5 Preferred Stock were subsequently sold in November, 1944.

The Company called for redemption on November 1, 1944 the First Collateral Trust & Refunding 6% Gold Bonds due May 1, 1952, of Delaware Valley Utilities Company at 102½ and accrued interest. On the same date, the Convertible Certificates of Interest therein were also called for redemption at par and accrued interest. The 6% Gold Debentures, due July 1, 1956, of Delaware Valley Utilities Company were called for redemption on October 20, 1944 at par and accrued interest. The Company now has no funded debt.

Payment was made in November, 1944 of the liability to holders of 26,951 shares of formerly authorized \$4 Preferred Stock of Northeastern Water and Electric Corporation, at an agreed rate or value of \$72.50 per share. The liability to the holders of said stock arose from claims filed in the Court of Chancery of the State of Delaware, for valuation and payment of their shares, incidental to

the merger, effective in 1943, of Delaware Valley Utilities Company and Union Water Service Company with and into this Company. At December 31, 1944 the claims of the holders of an additional 3,347 shares of said stock were still pending in the Delaware Court of Chancery.

Three subsidiary companies, namely Citizens Water Service Company, Clymer Water Service Company and Punxsutawney Water Service Company, during the year 1944, sold First Mortgage $3\frac{1}{2}\%$ Bonds due July 1, 1969, in the aggregate amount of \$998,000. These companies, in addition to effecting a savings in interest charges, reduced their outstanding funded debt by \$36,000.

A short term bank loan in the amount of \$1,000,000 was made in November, 1944, and the proceeds thereof together with funds realized from the disposition of the \$5 Preferred Stock of Virginia Electric and Power Company, were employed in the acquisition of the new subsidiary, the redemption of bonds, and the payment of the claims of former stock holders, reported herein. The bank loan was repaid in March, 1945, from cash realized upon the redemption of the Company's entire holdings of preferred stock of Florida Power Corporation.

During the year 1944 the Company and its subsidiaries invested additional funds in U. S. Government War Bonds, and at the close of the year held \$243,500 of such bonds.

At December 31, 1944, the holders of 19,410 shares of Common Stock of the Company had availed themselves of the offer made to the holders of said class of stock or exercised Rights to exchange their holdings for \$2 Preferred Stock of the Company, on a basis of three shares of Common Stock for one share of \$2 Preferred Stock. The 19,410 shares so exchanged are held by the Company as Treasury Stock.

The regular dividends were paid on the \$4 Prior Preferred Stock and on the \$2 Preferred Stock. Dividends aggregating 50 cents per share were paid on the Common Stock.

There appears in this report an income account statement, balance sheet and surplus statements, all on a consolidated basis, as prepared by Leslie, Banks & Company who examined the books of the Company and its subsidiaries for the year 1944.

Despite man-power shortages and the fact that maintenance and new additions to property were limited to essential items, the operating companies continued to uphold their high standard of service to the public, and meet the demands of industries engaged in war production.

More of our employees entered the military forces during the year, bringing the total now serving to 32. Upon entering the service an employee receives a separation allowance and his status is that of an employee on leave of absence. It is with sadness that we report that two of our employees have given their lives in the service of their country. One employee has resumed his position in the organization after receiving an honorable discharge. We honor them in this report and hope that in the near future all of our employees in the armed forces will be able to rejoin us. One discharged veteran has been added as a new employee.

To all of our employees we express appreciation for their splendid efforts in the performance of their duties under the difficult conditions of these war years.

Respectfully submitted,

By Order of the Board of Directors.
BOYD A. BENNETT, *President.*

LESLIE. BANKS & COMPANY

ACCOUNTANTS

CHICAGO
BOSTON
WILMINGTON (DEL.)

21 WEST STREET
NEW YORK

To the Board of Directors of
NORTHEASTERN WATER COMPANY:

We have examined the consolidated balance sheet of NORTHEASTERN WATER COMPANY AND SUBSIDIARIES as of December 31, 1944, and the related statements of consolidated income and surplus for the year then ended, have reviewed the systems of internal control and the accounting procedures of the companies and, without making a detailed audit of the transactions, have examined or tested accounting records of the companies and other supporting evidence by methods, at times, and to the extent we deemed appropriate. Our examination was made in accordance with generally accepted auditing standards applicable in the circumstances and included all procedures which we considered necessary.

The companies have followed the policy, in general, of making provision for retirement of fixed capital in amounts which, when added to maintenance expenditures, equal fixed percentages of operating revenues and the rates used are reviewed and revised from time to time.

In December, 1943, as explained in Note 3 to the accompanying financial statements to which reference is made, the company disposed of its investment in the securities of Tide Water Power Company but no loss on the transaction has been reflected in the accompanying financial statements.

In our opinion, subject to the adequacy of the current provision and accumulated reserve for retirement of fixed capital, as to which we are not in a position to express an opinion, and subject to the exception noted in the preceding paragraph, the accompanying consolidated balance sheet and related statements of consolidated income and surplus present fairly the consolidated position of NORTHEASTERN WATER COMPANY AND SUBSIDIARIES at December 31, 1944, and the results of their operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent in all material respects with that of the preceding year.

LESLIE, BANKS & COMPANY

New York, N. Y.,
April 14, 1945.

NORTHEASTERN WATER COMPANY

CONSOLIDATED

DECEMBER 31, 1944

Assets and Other Debits

FIXED CAPITAL:

Utility plant, other physical property, etc., including going value and other intangibles — at book cost, or appraised values at various dates prior to 1932 plus subsequent additions at cost, less retirements \$19,408,942.75

INVESTMENTS — at carrying values to constituent companies at date of merger on November 30, 1943, plus subsequent additions at cost:

Preferred stock of utility company (quoted market value based on nominal quotations — \$1,747,852.50) — pledged as collateral to note payable — contra (Note 2)	\$1,027,237.00	
Water revenue bonds of Municipal Authorities (\$1,740,208 deposited under escrow and other agreements)	2,035,283.00	
Other investments, less \$300,000 reserve (Note 3)	<u>1,153,947.87</u>	4,216,467.87

POST-WAR FEDERAL EXCESS PROFITS TAX CREDIT — estimated 5,122.96

SPECIAL FUNDS:

For new construction	\$ 4,678.59	
Sinking funds	8,770.50	
Other	<u>38,364.44</u>	51,813.53

DEPOSITS FOR DIVIDENDS, ETC. (unclaimed) — contra 24,054.60

NOTE RECEIVABLE — not due within one year 5,750.00

CURRENT AND ACCRUED ASSETS:

Cash	\$1,558,886.75	
Interest special deposits	53,625.00	
Other special deposits	48,389.92	
U. S. Government securities — at cost	307,600.00	
Notes receivable	6,225.00	
Accounts receivable:		
Customers' service accounts	\$213,236.51	
Other	<u>74,427.92</u>	
	\$287,664.43	
Less reserve for uncollectible accounts	<u>30,034.86</u>	257,629.57
Interest and dividends receivable	22,653.09	
Unbilled charges	147,451.83	
Accrued utility revenue — estimated	136,606.46	
Materials and supplies, including construction materials — at average cost or less, less \$6,335.69 reserve	149,267.30	
Prepayments	13,775.74	
Other current assets	<u>1,300.94</u>	
Total Current and Accrued Assets		<u>2,703,411.60</u>

DEFERRED DEBITS:

Unamortized debt discount, premium, and expense (includes \$46,060.13 applicable to refunded issues)	\$ 145,872.01	
Abandoned property	10,277.19	
Other deferred debits, less \$7,500 reserve	<u>26,161.10</u>	182,310.30
		<u>\$26,597,873.61</u>

NOTE: The above balance sheet should be read in conjunction with the accompanying notations.

NY AND SUBSIDIARIES (Note 1)

BALANCE SHEET

31, 1944

Liabilities and Other Credits

CAPITAL STOCK:

\$4 prior preferred stock, no par value, stated value \$100 per share, dividends cumulative to December 31, 1944 and thereafter if earned; entitled on liquidation or redemption to \$100 per share:

Authorized 200,000 shares; issued 61,281.2 shares; in treasury 6,769 shares; outstanding 54,512.2 shares..... \$5,451,220.00

\$2 preferred stock, no par value, stated value \$50 per share, dividends cumulative if earned; entitled on liquidation or redemption to \$50 per share (Note 4):

Authorized 150,000 shares; issued 28,377.5 shares; in treasury 614.1 shares; outstanding 27,763.4 shares..... 1,388,170.00

Common stock, par value \$1 per share:

Authorized 500,000 shares; issued 344,470 shares; in treasury 20,624 shares; outstanding 323,846 shares (Note 4) 323,846.00

\$ 7,163,236.00

MINORITY INTEREST IN SUBSIDIARIES:

Preferred and common stock at par or stated value \$ 95,260.00

Deficit 5,782.29

89,477.71

LONG-TERM DEBT OF SUBSIDIARY COMPANIES (schedule annexed).....

5,257,000.00

DIVIDENDS, ETC. (unclaimed) — contra.....

24,054.60

CURRENT AND ACCRUED LIABILITIES:

Long-term debt matured..... \$ 500.00

Notes payable bank — secured by preferred stock of utility company — contra (Note 2)..... 1,000,000.00

Accounts payable 91,957.62

Liability to holders of formerly authorized \$4 preferred stock (Note 5) 334,700.00

Liability under construction and improvement contracts — estimated 137,298.01

Dividends declared 1,065.01

Matured interest 635.41

Customers' deposits 20,315.56

Federal income and excess profits taxes accrued 737,105.71

Other accrued taxes 90,426.11

Interest accrued 106,438.77

Other current and accrued liabilities..... 71,797.40

Total Current and Accrued Liabilities (excluding deposits due in 1945 to sinking and other funds of approximately \$77,000)

2,592,239.60

DEFERRED CREDITS:

Unamortized premium on debt..... \$ 29,386.63

Customers' advances for construction..... 95,265.40

Revenue billed in advance — estimated 95,459.39

220,111.42

RESERVES:

Retirement of fixed capital..... \$2,924,706.31

Water revenue bonds of Municipal Authorities..... 1,579,958.00

Other 14,116.92

4,518,781.23

CONTRIBUTIONS IN AID OF CONSTRUCTION.....

373,886.51

SURPLUS (Note 6):

Capital surplus \$4,850,422.54

Earned surplus since November 30, 1943 1,508,664.00

6,359,086.54

\$26,597,873.61

CONTINGENT LIABILITIES (Note 8)

NORTHEASTERN WATER COMPANY AND SUBSIDIARIES—(Note 1)

STATEMENT OF CONSOLIDATED INCOME For the Years Ended December 31, 1944 and 1943

OPERATING REVENUES:	1944	1943
Water and sewer.....	\$2,247,773.96	\$1,613,433.42
Electric	—	127,910.92
Management services	74,084.44	90,570.10
Total Operating Revenues.....	<u>\$2 321,858.40</u>	<u>\$1,831,914.44</u>
 OPERATING REVENUE DEDUCTIONS:		
Operation, administrative and general expenses.....	\$ 991,823.70	\$ 814,595.74
Maintenance	108,426.02	103,939.70
Provision for retirement of fixed capital (exclusive of amounts charged to clearing accounts).....	183,594.15	147,976.91
Provision for taxes:		
Federal income	150,484.14	190,669.11
Federal excess profits (less debt retirement credit and post-war refund of \$4,684.64 in 1944; \$2,683.79 in 1943).....	38,533.00	22,685.62
Income taxes other than Federal.....	7,529.14	12,082.45
Other	271,935.90	175,964.90
Total Operating Revenue Deductions.....	<u>\$1,752,326.05</u>	<u>\$1,467,914.43</u>
OPERATING INCOME	<u>\$ 569,532.35</u>	<u>\$ 364,000.01</u>
 OTHER INCOME:		
Dividends (including \$3,000 in 1943 from constitu- ent company)	\$ 165,105.41	\$ 169,616.50
Interest (including \$14,219.37 in 1943 from con- stituent company)	89,030.63	60,187.79
Miscellaneous	16,947.32	7,734.14
Profit on sales or redemption of investments in subsidiaries and other utility companies (less U. S. income taxes thereon — \$442,176.56 in 1944; \$319,082.37 in 1943) (Note 3)	1,391,109.87	1,022,664.53
Total Other Income.....	<u>\$1,662,193.23</u>	<u>\$1,260,202.96</u>
GROSS INCOME	<u>\$2 231,725.58</u>	<u>\$1,624,202.97</u>
 INCOME DEDUCTIONS:		
Interest on long-term debt.....	\$ 250,508.05	\$ 150,125.56
Amortization of debt discount, premium and expense	15,364.68	4,354.77
Other interest	24,482.99	2,451.58
Loss on improvement contracts and development project, including \$136,872.11 provision for esti- mated future expenses and losses, less \$25,000.00 charged to reserve.....	166,962.40	—
Loss on sale of property of subsidiary.....	95,388.52	—
Interest charged to construction (credit).....	1,560.34	60.07
Miscellaneous	2,618.69	1,412.23
Minority interest in net income.....	6,702.75	4,386.21
Total Income Deductions.....	<u>\$ 560,467.74</u>	<u>\$ 162,670.28</u>
NET INCOME (Note 3).....	<u>\$1,671,257.84</u>	<u>\$1 461,532.69</u>

NOTE: The above statement of consolidated income should be read in
conjunction with the accompanying notations.

NORTHEASTERN WATER COMPANY AND SUBSIDIARIES—(Note 1)

STATEMENT OF CONSOLIDATED SURPLUS For the Year Ended December 31, 1944

Capital Surplus

BALANCE, December 31, 1943.....		\$4,022,464.20
ADDITIONS:		
Reduction in provision for liability to holders of 26,951 shares of Northeastern Water and Electric Corporation \$4 preferred stock objecting to merger and dividends accrued on such stock at date of merger through settlements effected.....	\$ 759,118.15	
Excess of par or stated value over cost of 576 shares of \$2 preferred stock and 116 shares of common stock reacquired.....	12,416.91	
Sinking fund reserve at date of merger no longer required.....	17,001.08	
Excess of book value of net assets over cost of investment in subsidiary acquired during year.....	339,906.06	
Acquisition of minority interest in subsidiaries in excess of cost.....	2,353.72	
Other credits.....	1,252.42	
		<u>1,132,048.34</u>
		\$5,154,512.54
DEDUCTIONS:		
Excess of aggregate stated value of 6,470 shares of \$2 preferred stock issued in exchange for 19,410 shares of common stock, over aggregate par value of the latter.....		304,090.00
BALANCE, December 31, 1944.....		<u>\$4,850,422.54</u>

Earned Surplus Since November 30, 1943

BALANCE, December 31, 1943.....		\$ 275,929.43
ADDITIONS:		
Net income for the year.....	\$1,671,257.84	
Other credits.....	1,923.33	
		<u>1,673,181.17</u>
		\$1,949,110.60
DEDUCTIONS:		
Cash dividends declared:		
\$4 prior preferred stock—\$4 per share or \$217,140.00, less \$.67 per share or \$36,146.00 charged to reserve for dividends accrued at date of merger.....	\$ 180,994.00	
\$2 preferred stock—\$1 per share.....	25,637.00	
Common stock—\$.50 per share.....	166,246.75	
	<u>\$ 372,877.75</u>	
Call premiums or discounts and unamortized debt discount, premium and expense on long-term debt of parent and subsidiaries retired \$84,355.67, less estimated tax reduction of \$16,786.82 resulting therefrom and from unamortized debt discount and expense written off in prior years.....	67,568.85	440,446.60
BALANCE, December 31, 1944.....		<u>\$1,508,664.00</u>

NOTE: The above statement of consolidated surplus should be read in conjunction with the accompanying notations.

NORTHEASTERN WATER COMPANY AND SUBSIDIARIES

NOTATIONS TO FINANCIAL STATEMENTS December 31, 1944

1. In comparing the consolidated financial statements for the years 1944 and 1943, consideration should be given to the effect thereon of acquisitions and sales or other disposition of the following subsidiaries on dates indicated. The subsidiaries acquired were: Frenchtown Water Company, Ideal Beach Water Company, Jamesburg Water Company, The Junction Water Company, Laurel Springs Water Works Company, The Riverton and Palmyra Water Company, The Washington Water Company, Mauch Chunk Water Company, September 7, 1943; Caribou Water Works Company, October 11, 1943; The Delaware River Water Company, October 29, 1943; Citizens Water Service Company, Clymer Water Service Company, Morris Water Company, Neptunus Water Company, New Jersey Water Service Company, Ocean City Sewer Service Company, Ocean City Water Service Company, Punxsutawney Water Service Company, Municipal Management Company (formerly Water Utilities Service Company), November 30, 1943; Lakewood Water Company, October 2, 1944. The subsidiaries sold or otherwise disposed of were: Hazleton Water Company, April 19, 1943; The Latrobe Water Company, May 4, 1943; Brookville Electric Company, August 26, 1943; Caribou Water, Light and Power Company, September 2, 1943. The property of West Helena Water Works Company was sold on March 31, 1944.
2. The preferred stock of a utility company, which was pledged as collateral to notes payable at December 31, 1944, was redeemed in March, 1945 for \$1,756,495 plus accrued dividends and the loan repaid.
3. In December, 1943, the company disposed of its investment in securities of Tide Water Power Company in exchange for certain securities of The Tidebel Company. The latter securities are carried in the accompanying consolidated balance sheet at the same value (adjusted for applicable expenses) at which the securities given in exchange were carried, and no gain or loss was recognized on the transaction. However, for income tax purposes a loss of \$378,427.48 was claimed in 1943.

Subsequently, the company was named as party defendant in two stockholders' derivative actions demanding, in addition to money damages from the directors of the company who are indemnified by the company against such actions, judgment that the "agreement for the exchange of stock with Tidebel be rescinded and annulled and that said exchange be rescinded and cancelled and directing that said stock be restored to Northeastern". One of the aforesaid suits has been dismissed in the United States District Court. Motion has been made for the dismissal of the other suit but no decision has as yet been entered with respect to it.

NORTHEASTERN WATER COMPANY AND SUBSIDIARIES

NOTATIONS TO FINANCIAL STATEMENTS (*continued*) December 31, 1944

4. A general offer has been made to holders of common stock to exchange their shares for shares of \$2 preferred stock at the rate of 3 shares of common stock for 1 share of \$2 preferred stock. Subsequent to December 31, 1944, 25,360 shares of \$2 preferred stock were issued in exchange for 76,085 shares of common stock under this offer.
5. As a result of the merger of Delaware Valley Utilities Company and Union Water Service Company into the corporation, claims were still pending on December 31, 1944, for the valuation of and payment for 3,347 shares of its formerly authorized \$4 preferred stock. Under Delaware law, stockholders who object to a merger and demand payment for their stock may be entitled to be paid the value thereof as agreed with the continuing corporation or as determined by the Court of Chancery. The stated value of said \$4 preferred stock was \$50 per share; the market value at date of merger was approximately \$60 per share and the redemption or liquidating value was \$100 per share. Until the liability on this account is ascertained, it is reflected at \$100 per share, the stated value of the \$4 prior preferred stock into which the same would otherwise have been converted.
6. Surplus is restricted to the extent of \$431,755.44 on account of acquisitions of treasury stock.
7. The property of Norway Water Company (a subsidiary) was acquired by the Norway Water District on February 2, 1945, through the exercise of the right of eminent domain at approximately the book cost of the property less reserve for retirement.
8. Contingent liabilities:
 - (a) Additional federal income taxes, exclusive of interest, approximately \$55,000.
 - (b) Guarantees on contracts with Municipal Authorities exclusive of those covered by bonds deposited for which reserves have been provided in the accompanying consolidated balance sheet—estimated not in excess of \$175,000.
 - (c) Pending litigation—loss, if any, not significant.

NORTHEASTERN WATER COMPANY AND SUBSIDIARIES

LONG-TERM DEBT OF SUBSIDIARY COMPANIES HELD BY THE PUBLIC December 31, 1944

<i>Description</i>	<i>Amount</i>
Citizens Water Service Company	
First Mortgage 3½% Bonds, Series A, due July 1, 1969.....	\$ 263,000
Clymer Water Service Company	
First Mortgage 3½% Bonds, Series A, due July 1, 1969.....	360,000
Edwardsville Water Company	
First Mortgage Bonds, Series A, 3½%, due July 1, 1965.....	150,000
Ellwood Consolidated Water Company	
First Mortgage Bonds, Series B, 3¼%, due April 1, 1966.....	250,000
Everett Water Company	
First Mortgage Bonds, Series A, 4%, due July 1, 1965.....	50,000
Frenchtown Water Company	
First Mortgage Bonds, Series A, 4%, due August 1, 1966.....	32,500
Gettysburg Water Company	
First Mortgage Bonds, Series A, 4%, due January 1, 1964.....	55,000
The Grafton Water Company	
First Mortgage Bonds, Series A, 4%, due January 1, 1964.....	48,000
The Guilford Water Company	
First Mortgage Bonds, Series A, 4¼%, due January 1, 1964.....	35,000
The Hampton Water-Works Company	
First Mortgage Bonds, Series A, 3¼%, due January 1, 1964.....	260,000
Jamesburg Water Company	
First Mortgage Bonds, Series A, 4%, due August 1, 1966.....	38,500
The Junction Water Company	
First Mortgage 5% Bonds, due November 1, 1948 (less \$1,000 in sinking fund)	23,000
Laurel Springs Water Works Company	
First Mortgage Bonds, Series A, 3¾%, due August 1, 1964.....	150,000
Limestone Water and Sewer Company	
First Mortgage 5% Gold Bonds, Matured August 1, 1932.....	500*
Louisa Water Company	
First Mortgage Bonds, Series A, 4¼%, due January 1, 1964.....	45,000
Mars Hill and Blaine Water Company	
First Mortgage Bonds, Series A, 4¼%, due January 1, 1964.....	45,000
The Maryland Water Works Company	
First and Refunding Mortgage Bonds, Series A, 4¼%, due January 1, 1964	160,000

NORTHEASTERN WATER COMPANY AND SUBSIDIARIES

LONG-TERM DEBT OF SUBSIDIARY COMPANIES HELD BY THE PUBLIC (continued)

December 31, 1944

<i>Description</i>	<i>Amount</i>
The Maryland Water Works Company (Continued)	
First and Refunding Mortgage Bonds, Series B, 3¾%, due January 1, 1964	\$ 31,000
Massachusetts Water Works Company	
First Mortgage Bonds, Series A, 4%, due January 1, 1964	115,000
Mystic Valley Water Company	
First Mortgage Bonds, Series A, 4%, due January 1, 1964.....	250,000
New Jersey Water Service Company	
First Mortgage 3¼% Bonds, Series A, due August 1, 1968.....	163,500
Norway Water Company	
First Mortgage Bonds, Series A, 4%, due January 1, 1964.....	40,000
Ocean City Sewer Service Company	
First Mortgage 3½% Bonds, Series A, due August 1, 1968	368,000
Ocean City Water Service Company	
First Mortgage 3½% Bonds, Series A, due August 1, 1968.....	640,000
The Oxford Water Company	
First Mortgage Bonds, Series A, 4%, due January 1, 1964.....	35,000
Penobscot County Water Company	
First Mortgage Bonds, Series B, 3½%, due April 1, 1966.....	316,000
Punxsutawney Water Service Company	
First Mortgage 3½% Bonds, Series A, due July 1, 1969.....	375,000
Riverton Consolidated Water Company	
First Mortgage Bonds, Series B, 3¼%, due April 1, 1966.....	525,000
The Salisbury Water Supply Company	
First Mortgage Bonds, Series A, 4%, due January 1, 1964.....	67,500
Skowhegan Water Company	
First Mortgage Bonds, Series A, 4%, due January 1, 1964.....	116,000
West Penn Water Company	
First Mortgage Bonds, Series A, 4¼%, due January 1, 1964	250,000
Total	<u>\$5,257,500</u>
Less amounts matured classified as Current Liabilities in Consolidated Balance Sheet	500*
Total, per Consolidated Balance Sheet.....	<u><u>\$5,257,000</u></u>

NORTHEASTERN WATER COMPANY

OPERATING SUBSIDIARY COMPANIES

As at December 31, 1944

<i>Connecticut</i>	MYSTIO VALLEY WATER COMPANY
<i>Illinois</i>	EDWARDSVILLE WATER COMPANY
<i>Kentucky</i>	LOUISA WATER COMPANY
<i>Maine</i>	CARIBOU WATER WORKS CORPORATION EASTPORT WATER COMPANY GREENVILLE WATER COMPANY THE GUILFORD WATER COMPANY THE HARTLAND WATER COMPANY LIMESTONE WATER AND SEWER COMPANY MAES HILL & BLAINE WATER COMPANY THE MEOHANIO FALLS WATER COMPANY THE NORTH BERWICK WATER COMPANY NORWAY WATER COMPANY PENOBSCOT COUNTY WATER COMPANY THE SANGERVILLE WATER SUPPLY COMPANY SKOWHEGAN WATER COMPANY THE SOUTHWEST HARBOR WATER COMPANY THE STOOKTON SPRINGS WATER COMPANY THE WALDOBORO WATER COMPANY
<i>Maryland</i>	THE MARYLAND WATER WORKS COMPANY
<i>Massachusetts</i>	THE GRAFTON WATER COMPANY MASSACHUSETTS WATER WORKS COMPANY THE OXFORD WATER COMPANY THE SALISBURY WATER SUPPLY COMPANY
<i>New Hampshire</i>	THE HAMPTON WATER WORKS COMPANY
<i>New Jersey</i>	THE DELAWARE RIVER WATER COMPANY FRENCHTOWN WATER COMPANY IDEAL BEACH WATER COMPANY JAMESBURG WATER COMPANY THE JUNCTION WATER COMPANY LAKEWOOD WATER COMPANY LAUREL SPRINGS WATER WORKS COMPANY NEPTUNUS WATER COMPANY NEW JERSEY WATER SERVICE COMPANY OCEAN CITY SEWER SERVICE COMPANY OCEAN CITY WATER SERVICE COMPANY THE RIVERTON AND PALMYRA WATER COMPANY THE WASHINGTON WATER COMPANY
<i>Pennsylvania</i>	BIGLERVILLE WATER COMPANY CITIZENS WATER SERVICE COMPANY CLARION WATER COMPANY CLYMER WATER SERVICE COMPANY THE CONSUMERS WATER COMPANY OF MONTROSE, PA. ELLWOOD CONSOLIDATED WATER COMPANY EVERETT WATER COMPANY GETTYSBURG WATER COMPANY MAUCH CHUNK WATER COMPANY MORRIS WATER COMPANY THE PARKESBURG WATER COMPANY PUNISUTAWNEY WATER SERVICE COMPANY RIVERTON CONSOLIDATED WATER COMPANY WEST PENN WATER COMPANY