

**Client:** BRONSTON WATER ASSOCIATION, INC.  
**Engagement:** 12/31/2024 Audit  
**Current Period:** 12/31/2024  
**Workpaper:** Adjusting Journal Entries

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
<b>AJE 01</b>					
To adjust beginning balances					
10014	CD - CNB		368,521.00	0.00	
10015	CD - Community Trust		175,000.00	0.00	
10016	CD - South Central Bank		177,015.00	0.00	
10200	Accounts Receivable		65,328.00	0.00	
10300	Inventory		79,549.00	0.00	
15010	Land & Land Rights		132,500.00	0.00	
15015	Transmission & Dist. System		9,393,285.00	0.00	
15020	Meters & Installations		841,029.00	0.00	
15025	Office Building		35,897.00	0.00	
15030	Furnishings & Fixtures		41,147.00	0.00	
15035	Equipment & Vehicles		214,356.00	0.00	
15050	Accumulated Depreciation		0.00	4,450,977.00	
16005	Construction Period Interest		17,402.00	0.00	
16010	Accumulated Amortization		0.00	9,135.00	
20000	Accounts Payable		0.00	0.00	
20001	Customer Deposits		0.00	19,596.00	
20003	Payroll Taxes Withheld		0.00	3,658.00	
20005	KY Sales Tax Payable		0.00	248.00	
20016	School Tax Pay. - Pulaski		0.00	2,236.00	
20017	Membership Fees		0.00	23,260.00	
20018	Accrued Interest		0.00	62,752.00	
20200	Loan Pay-RD RSF2 #91-05		0.00	688,476.00	
20201	Loan Pay-RD RSF4 #91-11		0.00	680,388.00	
20202	Loan Pay-RD RSF6 #91-15-USDA		0.00	531,903.00	
20203	Note Payable RD 91-03		0.00	297,144.00	
20204	Note Payable RD 91-09		0.00	369,260.00	
20205	Note Payable RD 91-13		0.00	1,276,161.00	
300020	Retained Earnings		1,093,493.00	0.00	
300030	Tap on Fees		0.00	689,697.00	
300040	Federal Grants In Aid of Construction		0.00	3,298,823.00	
300050	KY Grants In Aid of Construction		0.00	947,000.00	
300060	Member Investments		0.00	112,395.00	
300070	Cares Act - ERC		0.00	96,039.00	
300010	Opening Balance		909,336.00	0.00	
10004	Citizens Bank General Business		39,599.00	0.00	
300010	Opening Balance		0.00	39,599.00	
500035	Miscellaneous Expense		15,290.00	0.00	
<b>Total</b>			<b>13,598,747.00</b>	<b>13,598,747.00</b>	<b>(15,290.00)</b>
<b>AJE 02</b>					
To adjust inventory					
10300	Inventory		12,531.00	0.00	
500055	Trans & Dist Expense: METERS & PARTS		0.00	12,531.00	
<b>Total</b>			<b>12,531.00</b>	<b>12,531.00</b>	<b>12,531.00</b>
<b>AJE 03</b>					
Accrued Exp: To correct School Tax liability					
40010	Utility Tax Expense		30,333.00	0.00	
20016	School Tax Pay. - Pulaski		0.00	30,333.00	
40003	Services		32,968.00	0.00	
40011	School Tax Collected		0.00	32,968.00	

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
40010	Utility Tax Expense		2,635.00	0.00	
500019	Taxes & Licenses		0.00	2,635.00	
<b>Total</b>			<b>65,936.00</b>	<b>65,936.00</b>	<b>(30,333.00)</b>
<b>AJE 04</b>					
Accrued Exp: To correct Sales Tax liability					
40013	Sales Tax Expense		5,841.00	0.00	
20005	KY Sales Tax Payable		0.00	5,841.00	
40003	Services		6,284.00	0.00	
40012	Sales Tax Collected		0.00	6,284.00	
40013	Sales Tax Expense		443.00	0.00	
500019	Taxes & Licenses		0.00	443.00	
<b>Total</b>			<b>12,568.00</b>	<b>12,568.00</b>	<b>(5,841.00)</b>
<b>AJE 05</b>					
To correct Accrued Payroll liabilities					
20004	Federal Payroll Taxes Payable		8,059.00	0.00	
20011	Payroll Liabilites: Federal Taxes (941/943/944)		0.00	1,201.00	
20006	Kentucky Withheld Tax		0.00	2,934.00	
20013	Payroll Liabilities: KY Income Tax		0.00	228.00	
20014	Payroll Liabilities: KY Local Tax		0.00	1,097.00	
20003	Payroll Taxes Withheld		3,658.00	0.00	
20002	Direct Deposit Payable		0.00	5,615.00	
20015	Payroll Liabilities: KY Unemployment Tax		0.00	218.00	
20012	Payroll Liabilities: Federal Unemployment (940)		0.00	168.00	
500016	Payroll Expense: Wages		3,213.00	0.00	
20009	Payroll Liabilities: Anthem-EmpChild		1,076.00	0.00	
20010	Payroll Liabilites: Anthem-Family		2,544.00	0.00	
20007	Payroll Liabilities: Aflac		93.00	0.00	
20008	Payroll Liabilities: Aflac- Tax		210.00	0.00	
500035	Miscellaneous Expense		0.00	7,392.00	
<b>Total</b>			<b>18,853.00</b>	<b>18,853.00</b>	<b>4,179.00</b>
<b>AJE 06</b>					
To adjust payroll tax					
500050	Salaries & Wages Employee		9,247.00	0.00	
500045	Payroll Taxes		0.00	9,247.00	
500050	Salaries & Wages Employee		1,433.00	0.00	
500032	Fringe Benefit - Health Ins		0.00	1,433.00	
<b>Total</b>			<b>10,680.00</b>	<b>10,680.00</b>	<b>0.00</b>
<b>AJE 07</b>					
To record FA additions					
15035	Equipment & Vehicles		4,027.00	0.00	
15035	Equipment & Vehicles		3,599.00	0.00	
15020	Meters & Installations		6,048.00	0.00	
500052	Trans & Dist Expense		0.00	4,027.00	
500017	Repairs & Maintenance		0.00	3,599.00	
500055	Trans & Dist Expense: METERS & PARTS		0.00	6,048.00	
<b>Total</b>			<b>13,674.00</b>	<b>13,674.00</b>	<b>13,674.00</b>
<b>AJE 08</b>					

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
To correct loan balances and interest exp					
20200	Loan Pay-RD RSF2 #91-05		0.00	28,400.00	
20202	Loan Pay-RD RSF6 #91-15-USDA		0.00	6,649.00	
20203	Note Payable RD 91-03		9,739.00	0.00	
20204	Note Payable RD 91-09		9,747.00	0.00	
20205	Note Payable RD 91-13		27,188.00	0.00	
20206	Long Term Debt		0.00	92,463.00	
20201	Loan Pay-RD RSF4 #91-11		0.00	12,757.00	
20018	Accrued Interest		1,490.00	0.00	
500012	Interest Paid		92,105.00	0.00	
<b>Total</b>			<b>140,269.00</b>	<b>140,269.00</b>	<b>(92,105.00)</b>
<b>AJE 09</b>					
To amortize construction period interest					
16010	Accumulated Amortization		0.00	870.00	
500063	Amortization Expense		870.00	0.00	
<b>Total</b>			<b>870.00</b>	<b>870.00</b>	<b>(870.00)</b>
<b>AJE 10</b>					
To book unrecorded AP					
500024	Professional Services		4,500.00	0.00	
20000	Accounts Payable		0.00	4,500.00	
<b>Total</b>			<b>4,500.00</b>	<b>4,500.00</b>	<b>(4,500.00)</b>
<b>AJE 11</b>					
To record prior period adjustment for fixed assets					
15015	Transmission & Dist. System		0.00	942,508.00	
15050	Accumulated Depreciation		49,077.00	0.00	
300020	Retained Earnings		893,431.00	0.00	
<b>Total</b>			<b>942,508.00</b>	<b>942,508.00</b>	<b>0.00</b>
<b>AJE 12</b>					
To adjust FA and record depreciation expense					
15015	Transmission & Dist. System		0.00	31,173.00	
15020	Meters & Installations		150,298.00	0.00	
15025	Office Building		550.00	0.00	
15030	Furnishings & Fixtures		0.00	2,089.00	
15035	Equipment & Vehicles		0.00	117,586.00	
15050	Accumulated Depreciation		0.00	155,205.00	
500062	Depreciation Expense		155,205.00	0.00	
<b>Total</b>			<b>306,053.00</b>	<b>306,053.00</b>	<b>(155,205.00)</b>
<b>AJE 13</b>					
To record CIP and retainage liability					
20000.1	AP - Twin Rivers Construction account		0.00	1,049,148.00	
16006	CIP		1,049,148.00	0.00	
<b>Total</b>			<b>1,049,148.00</b>	<b>1,049,148.00</b>	<b>0.00</b>
<b>AJE 14</b>					
To reclassify current portion of long-term debty					
20222	Current Portion LTD		0.00	92,025.00	
20206	Long Term Debt		92,025.00	0.00	
<b>Total</b>			<b>92,025.00</b>	<b>92,025.00</b>	<b>0.00</b>

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
<b>AJE 15</b>					
To adjust CD balances					
10014	CD - CNB		0.00	70,028.00	
10015	CD - Community Trust		0.00	175,000.00	
10016	CD - South Central Bank		272,297.00	0.00	
40001	Interest Income		0.00	27,269.00	
<b>Total</b>			<b>272,297.00</b>	<b>272,297.00</b>	<b>27,269.00</b>
<b>AJE 16</b>					
To adjust accounts receivable					
10200	Accounts Receivable		0.00	103,327.00	
40003	Services		103,327.00	0.00	
10202	Unbilled Accounts Receivable		33,901.00	0.00	
40003	Services		0.00	33,901.00	
<b>Total</b>			<b>137,228.00</b>	<b>137,228.00</b>	<b>(69,426.00)</b>
<b>AJE 17</b>					
To adjust sewer charges					
40006	Sewer Billing-Woodson Bend		46,762.00	0.00	
500035	Miscellaneous Expense		0.00	22,675.00	
500036	Office Expense		0.00	24,087.00	
<b>Total</b>			<b>46,762.00</b>	<b>46,762.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>			<b>16,724,649.00</b>	<b>16,724,649.00</b>	<b>(315,917.00)</b>