



# Aberdeen Finance Corporation



## Aberdeen Insurance Agency

18 THIRD AVENUE S.E. P. O. BOX 59  
ABERDEEN, SOUTH DAKOTA 57402-0059

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email: afc1@midconetwork.com

TIM RICH  
President

MARK A. KRAGE  
Loan Officer

KATHLEEN GETTY  
Secretary/Treasurer

April 6, 2007

**RECEIVED**

APR 06 2007

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

John J Smith, General Counsel  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Pierre, South Dakota 57501-5070

Dear Mr. Smith:

On April 2, 2007 Aberdeen Finance Corporation held its annual shareholder meeting. Your offer to sell your 35 shares of AFC stock was presented to the shareholders at the meeting. After some discussion, a motion was made and approved to have Aberdeen Finance Corporation offer to purchase the PUC stock for \$100.00 per share. (A total of \$3,500.00)

At this point in time, we have not been successful in finding a new line of credit. However, our cash flow would allow us to be able to afford to pay the \$3,500.00. We are enclosing a copy of the March 31, 2007 statement of condition for Aberdeen Finance for your information. We would also have to contact Wells Fargo Bank to be sure that they would not object to this payment, and cause the bankruptcy court to reopen our case.

There is the possibility that one of the shareholders would be willing to pay the \$2,500.00 cash balance owed after the conversion of your stock, and transfer that balance to the amount owed to that shareholder. This would make our total offer \$6,000.00.

We will be waiting to hear from you and trust that we can reach an agreement soon.

Sincerely,

ABERDEEN FINANCE CORPORATION  
*Kathleen Getty*  
Kathleen Getty, Secretary/Treasurer

CURRENT FISCAL PERIOD 3

-- MONTH TO DATE --      -- YEAR TO DAT.  
                   AMOUNT PERCT                   AMOUNT P

A S S E T S  
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CASH ON HAND & IN BANKS	17,120.89	77,307.31
CASH FUND (MONEY IN DRAWER)	0.00	2,000.00
NORTHWESTERN MUTUAL ACCOUNT	13.76	3,785.66
NOTES RECEIVABLE-DISC LOANS	0.00	0.00
NOTES RECEIVABLE-SMALL LOANS	77,697.64-	2,976,229.31
REPOSESSIONS	0.00	1,058.97
LOANS IN PROCESS	0.00	0.00
DISCOUNT IN PROCESS	0.00	0.00
INSURANCE PAYMENTS	1,165.74-	2,112.45
LIFE INSURANCE PREMIUMS OFFICE	886.13	2,599.45
INCOME TAXES RECEIVABLE	0.00	8,835.41
CASH SURRENDER VALUE-LIFE INSU	0.00	0.00
FURNITURE AND FIXTURES	0.00	59,082.64
COMPANY OWNED CARS	0.00	54,439.89
BUILDING	0.00	44,800.00
BUILDING EQUIPMENT	0.00	92,041.12
TOTAL ASSETS	60,842.60-	3,324,292.21

L I A B I L I T I E S  
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NOTES PAYABLE	15,532.10-	913,289.29
INVESTOR PAYABLE	0.00	0.00
LETTERS OF CREDIT	0.00	10,500.00
ALLOTMENT PAYABLE	0.00	0.00
TOTAL ACCOUNTS PAYABLE INS	225.68-	267.70
ACCOUNTS PAYABLE-INSURANCE	1,237.49-	2,056.04
OTHER INSURANCE PAYABLE	0.00	275.03
PROPERTY TAXES PAYABLE	0.00	1,405.90
INTEREST ACCRUED	0.00	0.00
WITHHOLDING TAXES	0.00	0.00
SS-EMPLOYER	0.00	0.00
SS-EMPLOYEE	0.00	0.00
CLEARING ACCOUNT	0.00	0.00
DEALERS RESERVE	0.00	2,297.59
COMMISSIONS ACCRUED	0.00	685.97
UNEARNED INSURANCE COMMISSIONS	0.00	21,863.64
PROFIT SHARING PAYABLE	0.00	0.00
RESERVE FOR LOSSES	0.00	350,000.00
ACCRUED INCOME & FRANCHISE TAX	0.00	0.00
RESERVE FOR DEPRECIATION-FURN	0.00	55,381.97
RESERVE FOR DEPRECIATION - CO	0.00	42,609.00
RESERVE FOR DEPRECIATION-BUILD	0.00	39,800.00
RESERVE FOR DEPRECIATION-BUILD	0.00	80,771.00
TOTAL LIABILITIES	16,995.27-	1,521,203.13

S T O C K H O L D E R S   E Q U I T Y  
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COMMON STOCK	0.00	5,047,000.00
SURPLUS	0.00	66,100.00
RETAINED EARNINGS	0.00	3,299,943.96-
TREASURY STOCK	0.00	0.00
NET INCOME	43,847.33-	10,066.96-
TOTAL STOCKHOLDER'S EQUI	43,847.33-	1,803,089.08
TOTAL LIABILITY & EQUITY	60,842.60-	3,324,292.21

CURRENT FISCAL PERIOD    3

-- MONTH TO DATE --            -- YEAR TO DATE --  
                           AMOUNT PERCT                    AMOUNT    P

INCOME  
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INTEREST EARNED	0.00	0.00
INTEREST COLLECTED-SMALL LOANS	39,141.87	119,801.76
GAIN ON REPOSESSIONS	0.00	0.00
RECOVERIES	8,023.61	11,831.43
NET RENT INCOME	1,415.76	3,293.23
INSURANCE COMMISSIONS	1,959.08	7,008.65
MISCELLANEOUS INCOME	13.76	43.98
INSURANCE DIVIDEND INCOME	0.00	0.00
SERVICE CHARGE	1,360.00	4,100.00
LATE CHARGES LOANS	1,802.66	6,358.08
DISC SERVICE CHARGE	0.00	0.00
LATE CHARGES DISCOUNT LOANS	0.00	0.00
P & L INTEREST	99.49	418.76
TOTAL INCOME	53,816.23	152,855.89

EXPENSES  
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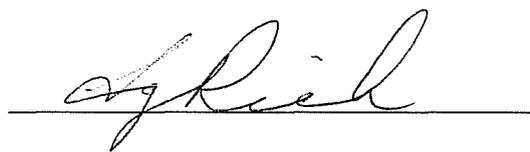
SALARIES	11,361.00	43,379.18
ADVERTISING	95.20	1,086.60
DUES AND SUBSCRIPTIONS	0.00	734.55
DONATIONS	0.00	0.00
COMPUTER SERVICE FEES	422.00	1,326.43
AUDIT	0.00	0.00
AUTO AND TRAVEL	157.12	290.12
LEGAL	388.74-	269.65
INSURANCE AND BONDS	663.54	1,852.22
FILING	1,135.00-	2,965.02-
OFFICE SUPPLIES	37.09	539.64
TELEPHONE	247.50	767.66
POSTAGE	214.00	684.00
REPAIRS AND MAINTENANCE	0.00	1,214.15
TAXES	1,069.18	3,742.72
BANK CHARGES	73.61	128.89
CREDIT REPORTS	507.10	1,775.63
LOSS ON SALE OF EQUIPMENT	0.00	0.00
JANITOR	84.08	225.78
ELECTRIC	1,448.08	3,738.05
DEPRECIATION-FURNITURE & FIXTU	0.00	0.00
DEPRECIATION-COMPANY OWNED CAR	0.00	0.00
DEPRECIATION-BUILDING	0.00	0.00
DEPRECIATION-BUILDING EQUIPMEN	0.00	0.00
INTEREST PAID	5,814.89	17,243.61
LOSS ON REPOSESSIONS	0.00	1,585.84
CHAPTER 11 FEE	0.00	3,750.00
P & L EXPENSE LOANS	77,163.91	81,695.81
P & L EXPENSES DISCOUNT	0.00	0.00
PROVISION FOR INCOME TAXES	0.00	0.00
PROFIT SHARING	0.00	0.00
LIFE INSURANCE PREMIUMS-OFFICE	0.00	0.00
CASH OVER AND SHORT	171.00-	142.66-
TOTAL EXPENSES	97,663.56	162,922.85
NET INCOME - YEAR TO DATE	43,847.33-	10,066.96-

Total Number of Loans March, 2007	Small Loans	627
	Discount Loans	0
	Total	627

Small Loan Interest Written for March, 2007	58,683.79
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VOLUME OF BUSINESS

	<u>LOANS</u>	<u>COLLECTIONS</u>
Small Loans, Mar, 2007	185,323.16	188,058.83
Year to Date	641,149.80	635,374.17

 \_\_\_\_\_, President