

AQUA AMERICA INC  
Form 11-K  
June 12, 2015  
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-6659

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Aqua America, Inc.

401(k) Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

AQUA AMERICA, INC.

762 W. Lancaster Avenue

Bryn Mawr, PA 19010

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Aqua America, Inc. 401(k) Plan

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Report of Independent Registered Public Accounting Firm

Plan Participants and Plan Administrator

Aqua America, Inc. 401(k) Plan

We have audited the accompanying statements of net assets available for benefits of the Aqua America, Inc. 401(k) Plan (the "Plan") as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2014 and 2013, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The supplemental information in the accompanying schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2014 has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is presented for the purpose of additional analysis and is not a required part of the financial statements but includes supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information in the accompanying schedule, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Baker Tilly Virchow Krause, LLP

Philadelphia, Pennsylvania

June 12, 2015

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## Aqua America, Inc. 401(k) Plan

## Statements of Net Assets Available for Benefits

December 31, 2014 and 2013

	2014	2013
Assets		
Investments, at fair value	\$ 173,020,271	\$ 165,574,806
Receivables:		
Employer contributions receivable	1,230,717	1,067,972
Participant contributions receivable	127,545	-
Notes receivable from participants	4,368,440	4,131,948
Total receivables	5,726,702	5,199,920
Cash and cash equivalents	67,275	-
Total assets	178,814,248	170,774,726
Liabilities		
Accrued expenses	55,302	40,289
Excess participant contributions payable	7,044	-
Total liabilities	62,346	40,289
Net assets available for benefits at fair value	178,751,902	170,734,437

Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(155,758)	(157,526)
Net Assets Available for Benefits	\$ 178,596,144	\$ 170,576,911

See notes to financial statements.

## Aqua America, Inc. 401(k) Plan

## Statements of Changes in Net Assets Available for Benefits

Years Ended December 31, 2014 and 2013

	2014	2013
Additions to Net Assets Attributed to Investment income:		
Net appreciation in fair value of investments	\$ 7,931,046	\$ 21,200,009
Interest and dividends	6,219,535	4,864,202
Total investment income	14,150,581	26,064,211
Interest income on notes receivable from participants	173,028	157,396
Contributions:		
Employer	3,172,768	2,872,321
Participants	7,318,902	6,919,856
Participant rollovers	279,634	530,047
Other	25,000	25,000
Total contributions	10,796,304	10,347,224
Total additions	25,119,913	36,568,831
Deductions from Net		

Assets		
Attributed to		
Benefits paid		
to participants	(16,918,537)	(11,794,412)
Administrative		
expenses	(182,143)	(132,600)
Total		
deductions	(17,100,680)	