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Telecommunication Industry (Total)
Comparative Balance Sheet
For the Year Ended December 31,
(\$000s)

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$93,570	\$64,956	\$62,093	\$65,465	\$60,171
2 Accounts Receivable (Net)	1,186,783	1,145,749	1,083,608	1,036,254	1,120,578
3 Current Deferred Income Taxes	260	288	303	254	237
4 Other Current Assets	208,608	134,014	143,577	146,126	199,214
5 Total Current Assets	1,489,220	1,345,007	1,289,582	1,248,099	1,380,200
NON-CURRENT ASSETS					
6 Investments	956,615	1,066,353	528,648	796,586	944,851
7 Unamortized Debt Issuance Costs	3,570	5,007	5,267	6,221	7,127
8 Deferred Charges	98,808	105,015	103,004	88,453	94,788
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	12,655	12,825	11,873	10,841	10,176
11 Other Non-Current Assets	238,271	255,793	456,249	681,504	701,548
12 Total Non-Current Assets	1,309,919	1,444,994	1,105,041	1,583,605	1,758,490
REGULATED PLANT					
13 Total Telecommunications Plant	31,737,248	30,973,570	33,595,799	33,438,798	35,018,621
14 Less: Accumulated Depr and Amort.	20,494,613	19,680,071	22,095,151	21,903,048	23,483,253
15 Net Regulated Plant	11,242,635	11,293,499	11,500,649	11,535,750	11,535,368
16 Total Assets & Other Debits	\$14,041,774	\$14,083,500	\$13,895,272	\$14,367,455	\$14,674,058
CURRENT LIABILITIES					
17 Accounts Payable	\$861,559	\$975,294	\$768,200	\$643,386	\$612,501
18 Notes Payable	7,313,276	7,138,768	5,447,996	3,624,800	3,304,644
19 Advanced Billings	145,852	179,050	182,311	172,707	165,838
20 Customer Deposits	4,169	4,569	3,502	8,032	7,539
21 Current Maturities - Long-Term Debt	3,287	204,679	6,286	7,428	404,696
22 Current Deferred Income Taxes	(14,652)	(354,974)	(331,744)	(103,617)	(96,204)
23 Other Current Liabilities	366,080	54,536	178,978	433,939	558,153
24 Total Current Liabilities	8,679,571	8,201,921	6,255,530	4,786,675	4,957,166
LONG-TERM DEBT					
25 Long-Term Debt	611,236	1,063,613	1,266,266	2,269,733	2,277,240
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC	10,718	12,381	14,044	16,787	17,369
27 Non-Current Deferred Taxes	793,822	(83,710)	334,061	475,260	288,277
28 Other Deferred Credits	121,736	177,000	213,246	296,659	268,442
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	6,424,005	8,031,958	7,338,603	6,115,302	4,636,671
31 Total Other Liab. and Def. Credits	7,350,282	8,137,629	7,899,953	6,904,008	5,210,758
STOCKHOLDER'S EQUITY					
32 Common Stock	29,494	29,494	29,557	29,554	29,554
33 Preferred Stock	416	419	924	924	925
34 Other Paid in Capital	4,933,871	4,936,693	4,914,278	4,793,164	5,331,487
35 Retained Earnings	(7,563,096)	(8,286,268)	(6,471,235)	(4,416,604)	(3,133,073)
36 Total Stockholder's Equity	(2,599,315)	(3,319,663)	(1,526,477)	407,039	2,228,893
37 Total Liab. and Stockholder's Equity	\$14,041,774	\$14,083,500	\$13,895,272	\$14,367,455	\$14,674,058

Telecommunication Industry (Total)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,404,914	\$1,580,742	\$1,763,052	\$1,971,084	\$2,244,511	1
Network Access Services	2,501,495	2,450,013	2,431,420	2,412,339	2,435,233	2
Long Distance Network Services	107,573	93,667	104,169	115,978	134,534	3
Miscellaneous Revenues	1,713,985	1,593,830	1,425,335	1,251,934	1,195,125	4
Less: Uncollectible Revenues	30,382	41,861	32,117	62,502	77,107	5
Total Operating Revenues	5,697,585	5,675,072	5,691,859	5,688,834	5,932,296	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	62,108	58,400	20,863	5,281	7,777	7
General Support Expenses	446,860	396,816	390,228	418,046	430,005	8
Central Office Switching	143,367	172,176	171,689	213,156	241,990	9
Operator Systems Expense	116	327	462	580	419	10
Central Office Transmission	145,619	133,339	126,410	148,719	149,932	11
Info. Origination/Termination	1,085,202	1,040,545	906,731	810,540	641,188	12
Cable & Wire Facilities	578,208	872,094	927,893	962,250	1,242,393	13
Total Plant Specific Operations	2,461,481	2,673,695	2,544,276	2,558,572	2,713,704	14
Other Plant, Property & Equipment	550	3,174	1,536	1,317	11,972	15
Network Operations	670,893	623,580	674,006	1,697,530	644,529	16
Access Expense	128,963	143,876	105,745	104,748	125,674	17
Depreciation and Amortization	1,154,146	1,314,303	1,365,793	1,371,267	1,386,223	18
Total Plant Non-Specific Operations	1,954,552	2,084,933	2,147,081	3,174,862	2,168,398	19
Marketing Expense	374,768	319,190	325,331	332,279	351,263	20
Services Expense	453,613	449,356	508,667	620,900	628,213	21
Total Customer Operations	828,382	768,546	833,998	953,179	979,476	22
Executive & Planning	37,879	45,340	44,991	50,112	64,370	23
General & Administrative	(1,002,946)	2,589,075	2,369,302	1,051,921	897,524	24
Provision - Uncollectible Notes Rec.						25
Other			40			26
Total Corporate Operations	(965,068)	2,634,415	2,414,334	1,102,032	961,894	27
Total Operations Expense	4,279,347	8,161,204	7,939,689	7,788,646	6,823,473	28
Other Operating Income & Expenses	83,433	6,802	25,319	66,455	37,430	29
State & Local Income Taxes	(42,413)	(54,075)	(4,877)	(12,250)	(8,646)	30
Other Taxes	494,166	452,565	502,662	465,409	501,179	31
Net Operating Income Before FIT	1,049,920	(2,877,821)	(2,720,296)	(2,486,517)	(1,346,280)	32
Investment Tax Credits - Net	1,663	1,663	2,743	582	1,811	33
Federal Income Taxes	(964,030)	(811,741)	(693,307)	(1,071,347)	(758,638)	34
Provision - Def. Operating Income Taxes - Net	1,203,046	(335,099)	(354,777)	119,566	139,176	35
Net Operating Income	\$812,566	(\$1,729,318)	(\$1,669,469)	(\$1,534,154)	(\$725,007)	36

Table 3 T

Telecommunication Industry (Total)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

	2013	2012	2011	2010	2009
37 Net Operating Income	812,608	(1,729,318)	(1,669,469)	(1,534,154)	(725,007)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	249	220	159	263	84
39 Interest Income	1,060	1,180	(20,495)	4,991	9,514
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	15,437	14,887	18,262	14,457	16,666
42 Gains/Losses - Disposal of Property	41	59	78	143	97
43 Equity in Earnings of Affiliated Companies	415,303	330,568	425,668	488,620	564,083
44 Other Non-Operating Income	(70,701)	(51,435)	(15,758)	(7,221)	(8,899)
45 Special Charges	7,062	12,494	3,094	11,184	8,982
46 Total Non-Operating Income & Expenses	354,327	282,985	402,581	490,068	572,563
NON-OPERATING TAXES					
47 Federal Income Taxes	34,386	(10,916)	3,477	12,447	15,531
48 Other	1,371	(57,970)	3,833	4,073	3,873
49 Total Non-Operating Taxes	35,757	(68,886)	7,310	16,519	19,404
50 Income Available Before Interest Charges	1,131,178	(1,377,447)	(1,274,198)	(1,060,605)	(171,848)
INTEREST CHARGES					
51 Interest on Funded Debt	77,409	89,416	152,781	171,443	187,818
52 Other Interest Expense	298,019	244,712	163,051	181,736	117,754
53 Total Interest Charges	375,428	334,128	315,832	353,179	305,572
54 Income Before Extraordinary & Nonreg Items	755,750	(1,711,574)	(1,590,030)	(1,413,784)	(477,419)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	53,910	49,669	45,492	52,795	51,218
57 Total Extraordinary & Nonregulated Items	53,910	49,669	44,791	52,064	51,218
58 Net Income	\$80,950	(\$166,157)	(\$154,493)	(\$136,145)	(\$42,612)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$8,791,302)	(\$6,838,176)	(\$4,788,636)	(\$3,601,060)	(\$3,226,267)
60 Transferred from Income	342,425	(2,045,234)	(2,018,296)	(1,901,650)	(1,036,964)
61 Appropriations	7		1,134	2,921	
Dividends Declared:					
62 Preferred Stock	23	23	48	48	49
63 Common Stock	29,595	5,003	406,825	267,348	159,860
64 Adjustments	300,043	148,326	381,155	984,392	822,080
65 Ending Year Balance	(8,178,458)	(8,789,495)	(6,838,176)	(4,788,636)	(3,601,060)
66 Appropriated/Undistr Affiliate Retained Earnings	615,362	503,227	378,304	372,033	467,987
67 Total Retained Earnings	(\$7,563,096)	(\$8,286,268)	(\$6,459,872)	(\$4,416,604)	(\$3,133,073)

Table 1 WT

Telecommunication Industry (Without New York Telephone)
Comparative Balance Sheet
For the Year Ended December 31,
(\$000s)

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$56,437	\$52,552	\$56,828	\$65,465	\$59,912
2 Accounts Receivable (Net)	237,468	244,395	244,709	189,603	235,984
3 Current Deferred Income Taxes	260	288	303	254	237
4 Other Current Assets	23,422	22,583	20,565	22,001	22,803
5 Total Current Assets	317,587	319,818	322,404	277,323	318,937
NON-CURRENT ASSETS					
6 Investments	281,000	502,617	89,291	359,873	413,010
7 Unamortized Debt Issuance Costs	58	66	123	118	164
8 Deferred Charges	4,358	5,709	5,511	5,221	4,951
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	12,655	12,825	11,873	10,841	10,176
11 Other Non-Current Assets	204,259	205,302	207,810	209,955	211,031
12 Total Non-Current Assets	502,330	726,520	314,607	586,008	639,332
REGULATED PLANT					
13 Total Telecommunications Plant	3,858,397	3,831,168	3,792,101	3,753,128	3,699,667
14 Less: Accumulated Depr and Amort.	3,132,200	3,025,399	2,907,889	2,776,922	2,643,249
15 Net Regulated Plant	726,197	805,768	884,213	976,206	1,056,418
16 Total Assets & Other Debits	\$1,546,114	\$1,852,107	\$1,521,224	\$1,839,538	\$2,014,687
CURRENT LIABILITIES					
17 Accounts Payable	\$158,519	\$503,421	\$213,639	\$127,032	\$113,736
18 Notes Payable	6,291	6,052	10,657	6,146	4,174
19 Advanced Billings	11,638	12,190	12,721	13,362	12,851
20 Customer Deposits	33	109	56	71	134
21 Current Maturities - Long-Term Debt	1,431	3,490	4,967	6,150	3,574
22 Current Deferred Income Taxes	(39)	(33)	(60)	(2)	(65)
23 Other Current Liabilities	21,674	16,802	19,255	19,155	15,765
24 Total Current Liabilities	199,547	542,031	261,236	171,913	150,170
LONG-TERM DEBT					
25 Long-Term Debt	12,026	13,727	15,553	18,998	26,138
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	240,325	213,900	210,087	205,539	201,427
28 Other Deferred Credits	1,280	5,943	9,347	13,234	15,323
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	199,717	190,010	180,925	170,012	163,367
31 Total Other Liab. and Def. Credits	441,322	409,852	400,359	388,785	380,117
STOCKHOLDER'S EQUITY					
32 Common Stock	28,494	28,494	28,557	28,554	28,554
33 Preferred Stock	416	419	924	924	925
34 Other Paid in Capital	567,900	571,025	548,610	547,836	547,629
35 Retained Earnings	296,408	286,559	265,987	682,528	881,154
36 Total Stockholder's Equity	893,218	886,497	844,077	1,259,842	1,458,263
37 Total Liab. and Stockholder's Equity	\$1,546,114	\$1,852,107	\$1,521,224	\$1,839,538	\$2,014,687

Table 2 WT

Telecommunication Industry (Without New York Telephone)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$187,286	\$204,993	\$220,121	\$240,151	\$267,908	1
Network Access Services	254,084	284,842	298,750	303,178	314,452	2
Long Distance Network Services	2,288	2,710	3,280	3,110	4,261	3
Miscellaneous Revenues	148,732	151,201	155,826	168,419	180,216	4
Less: Uncollectible Revenues	4,397	6,364	7,949	8,369	10,498	5
Total Operating Revenues	587,993	637,383	670,027	706,489	756,339	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	6,783	773	12,573	1,516	1,181	7
General Support Expenses	29,359	32,015	39,194	37,917	33,733	8
Central Office Switching	21,314	22,071	23,048	21,385	23,370	9
Operator Systems Expense	39	76	344	370	281	10
Central Office Transmission	12,270	12,486	13,005	13,649	13,693	11
Info. Origination/Termination	16,253	15,967	19,175	16,471	19,401	12
Cable & Wire Facilities	50,428	54,424	55,138	54,042	53,608	13
Total Plant Specific Operations	136,446	137,811	162,477	145,350	145,267	14
Other Plant, Property & Equipment	128	407	179	241	530	15
Network Operations	43,976	46,226	44,382	44,216	41,657	16
Access Expense	13,492	16,690	15,754	15,004	15,311	17
Depreciation and Amortization	133,677	141,886	152,287	153,300	157,223	18
Total Plant Non-Specific Operations	191,272	205,209	212,602	212,761	214,721	19
Marketing Expense	19,008	24,573	26,521	25,326	24,133	20
Services Expense	52,884	55,971	63,013	59,844	61,211	21
Total Customer Operations	71,893	80,544	89,535	85,170	85,344	22
Executive & Planning	12,068	14,645	16,298	20,157	15,784	23
General & Administrative	53,039	66,778	69,601	85,432	69,822	24
Provision - Uncollectible Notes Rec.						25
Other			40			26
Total Corporate Operations	65,107	81,423	85,939	105,589	85,606	27
Total Operations Expense	464,718	504,987	550,553	548,870	530,938	28
Other Operating Income & Expenses	44	2	(82)	10	24	29
State & Local Income Taxes	169	154	149	196	186	30
Other Taxes	44,202	43,462	39,289	45,332	50,487	31
Net Operating Income Before FIT	78,948	88,782	79,954	112,102	174,752	32
Investment Tax Credits - Net						33
Federal Income Taxes	(19,669)	(1,236)	(7,720)	(5,443)	35,079	34
Provision - Def. Operating Income Taxes - Net	26,254	14,376	19,039	27,459	12,195	35
Net Operating Income	\$72,364	\$75,642	\$68,635	\$90,085	\$127,477	36

Table 3 WT

Telecommunication Industry (Without New York Telephone)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

	2013	2012	2011	2010	2009
37 Net Operating Income	\$72,406	\$74,708	\$68,635	\$90,085	\$127,477
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	519	639	703	749	9,102
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	155	193	630	465	540
42 Gains/Losses - Disposal of Property	41	59	78	143	97
43 Equity in Earnings of Affiliated Companies	3,425	(1,814)	(976)	(181)	122
44 Other Non-Operating Income	(4,574)	3,606	2,656	7,565	5,378
45 Special Charges	476	(257)	(2,593)	3,096	949
46 Total Non-Operating Income & Expenses	(910)	2,940	5,683	5,645	14,290
NON-OPERATING TAXES					
47 Federal Income Taxes	14,853	12,756	11,440	13,445	17,213
48 Other	11	99	(37)	127	69
49 Total Non-Operating Taxes	14,864	12,855	11,404	13,572	17,282
50 Income Available Before Interest Charges	56,632	64,793	62,914	82,158	124,484
INTEREST CHARGES					
51 Interest on Funded Debt	662	930	1,242	1,534	1,648
52 Other Interest Expense	13,793	12,874	11,531	10,501	9,165
53 Total Interest Charges	14,454	13,803	12,773	12,036	10,813
54 Income Before Extraordinary & Nonreg Items	42,178	50,989	50,142	70,123	113,671
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	53,910	49,669	45,492	52,795	51,218
57 Total Extraordinary & Nonregulated Items	53,910	49,669	45,492	52,795	51,218
58 Net Income	\$96,088	\$100,658	\$95,633	\$122,917	\$164,889
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$280,262	\$273,401	\$678,205	\$876,005	\$915,589
60 Transferred from Income	\$40,980	\$49,932	\$46,439	71,320	118,171
61 Appropriations	\$7		\$1,134	\$2,921	
Dividends Declared:					
62 Preferred Stock	\$23	\$23	\$48	48	49
63 Common Stock	\$29,595	\$5,003	\$406,825	267,348	159,860
64 Adjustments	\$43	\$13,148	(\$38,845)	1,198	2,153
65 Ending Year Balance	291,661	331,455	277,791	678,205	876,005
66 Appropriated/Undistr Affiliate Retained Earnings	4,748	4,491	3,950	4,323	5,149
67 Total Retained Earnings	\$296,408	\$335,945	\$281,740	\$682,528	\$881,154

Table 1 AT

Telecommunication Industry (Class A)
Comparative Balance Sheet
For the Year Ended December 31,
(\$000s)

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$38,503	\$13,913	\$5,650	\$1,720	\$1,090
2 Accounts Receivable (Net)	1,072,661	1,036,044	977,882	952,831	1,041,877
3 Current Deferred Income Taxes					
4 Other Current Assets	192,988	119,487	130,240	131,060	183,973
5 Total Current Assets	1,304,152	1,169,445	1,113,772	1,085,611	1,226,940
NON-CURRENT ASSETS					
6 Investments	769,999	863,704	375,552	564,885	731,794
7 Unamortized Debt Issuance Costs	3,513	4,941	5,144	6,103	6,963
8 Deferred Charges	94,450	99,321	97,508	83,248	89,853
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	217,747	234,391	432,505	655,779	674,913
12 Total Non-Current Assets	1,085,709	1,202,357	910,709	1,310,015	1,503,522
REGULATED PLANT					
13 Total Telecommunications Plant	30,595,504	29,840,214	32,478,682	32,330,870	33,927,127
14 Less: Accumulated Depr and Amort.	19,612,443	18,820,673	21,266,084	21,103,326	22,714,222
15 Net Regulated Plant	10,983,062	11,019,542	11,212,598	11,227,545	11,212,905
16 Total Assets & Other Debits	\$13,372,923	\$13,391,343	\$13,237,079	\$13,623,171	\$13,943,367
CURRENT LIABILITIES					
17 Accounts Payable	\$788,617	\$867,200	\$697,736	\$585,422	\$564,829
18 Notes Payable	7,306,986	7,132,716	5,437,338	3,618,654	3,300,470
19 Advanced Billings	142,627	175,561	178,561	168,697	162,321
20 Customer Deposits	4,136	4,519	3,448	7,962	7,406
21 Current Maturities - Long-Term Debt	1,856	201,189	1,319	1,278	401,122
22 Current Deferred Income Taxes	(14,613)	(354,941)	(331,684)	(103,615)	(96,139)
23 Other Current Liabilities	350,904	39,960	165,996	422,168	550,412
24 Total Current Liabilities	8,580,513	8,066,203	6,152,714	4,700,566	4,890,419
LONG-TERM DEBT					
25 Long-Term Debt	599,210	1,049,886	1,250,714	2,250,736	2,251,103
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC	10,718	12,381	14,044	16,787	17,369
27 Non-Current Deferred Taxes	733,701	(133,236)	283,025	423,450	235,257
28 Other Deferred Credits	103,292	157,479	192,812	274,466	245,324
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	6,390,584	7,996,355	7,301,307	6,079,175	4,598,826
31 Total Other Liab. and Def. Credits	7,238,296	8,032,979	7,791,187	6,793,878	5,096,776
STOCKHOLDER'S EQUITY					
32 Common Stock	1,001	1,001	1,001	1,001	1,001
33 Preferred Stock					
34 Other Paid in Capital	4,817,208	4,816,905	4,816,905	4,696,565	5,235,094
35 Retained Earnings	(7,863,305)	(8,575,630)	(6,775,442)	(4,819,575)	(3,531,027)
36 Total Stockholder's Equity	(3,045,096)	(3,757,725)	(1,957,537)	(122,009)	1,705,068
37 Total Liab. and Stockholder's Equity	\$13,372,923	\$13,391,343	\$13,237,079	\$13,623,171	\$13,943,367

Table 2 AT

Telecommunication Industry (Class A)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,344,188	\$1,515,999	\$1,694,551	\$1,899,104	\$2,167,692	1
Network Access Services	2,396,682	2,340,363	2,316,593	2,294,666	2,313,506	2
Long Distance Network Services	105,498	91,199	101,202	113,257	131,498	3
Miscellaneous Revenues	1,674,972	1,552,899	1,381,434	1,204,976	1,146,267	4
Less: Uncollectible Revenues	29,596	40,124	30,288	60,688	75,480	5
Total Operating Revenues	5,491,743	5,460,337	5,463,493	5,451,315	5,683,483	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	61,183	58,054	8,945	4,901	7,495	7
General Support Expenses	434,315	383,281	375,780	401,985	416,935	8
Central Office Switching	133,404	161,271	160,426	202,269	229,971	9
Operator Systems Expense	113	321	419	528	380	10
Central Office Transmission	138,255	126,122	118,968	141,713	142,635	11
Info. Origination/Termination	1,081,376	1,036,118	900,804	805,327	635,766	12
Cable & Wire Facilities	562,183	855,388	910,924	946,619	1,226,260	13
Total Plant Specific Operations	2,410,830	2,620,555	2,476,266	2,503,341	2,659,442	14
Other Plant, Property & Equipment	475	2,956	1,356	1,075	11,669	15
Network Operations	657,104	608,694	656,536	1,681,557	628,811	16
Access Expense	123,536	137,235	99,018	98,506	118,785	17
Depreciation and Amortization	1,114,837	1,273,524	1,322,733	1,326,501	1,337,827	18
Total Plant Non-Specific Operations	1,895,952	2,022,410	2,079,643	3,107,639	2,097,092	19
Marketing Expense	369,099	312,173	316,407	323,777	342,615	20
Services Expense	438,354	431,596	489,140	601,642	607,399	21
Total Customer Operations	807,453	743,769	805,547	925,419	950,014	22
Executive & Planning	28,868	34,165	33,933	38,415	53,475	23
General & Administrative	(1,027,783)	2,560,597	2,350,108	1,022,111	866,979	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	(998,915)	2,594,762	2,384,040	1,060,526	920,454	27
Total Operations Expense	4,115,319	7,981,495	7,745,496	7,596,925	6,627,002	28
Other Operating Income & Expenses	83,389	6,800	25,400	66,444	37,405	29
State & Local Income Taxes	(42,583)	(54,229)	(5,026)	(12,446)	(8,832)	30
Other Taxes	479,806	437,895	488,991	450,923	484,621	31
Net Operating Income Before FIT	1,022,591	(2,898,024)	(2,740,569)	(2,517,642)	(1,381,903)	32
Investment Tax Credits - Net	1,663	1,663	2,743	582	1,811	33
Federal Income Taxes	(959,769)	(807,097)	(686,682)	(1,071,342)	(773,288)	34
Provision - Def. Operating Income Taxes - Net	1,192,623	(345,669)	(366,926)	109,245	138,736	35
Net Operating Income	\$791,399	(\$1,743,596)	(\$1,684,217)	(\$1,554,963)	(\$745,539)	36

Table 3 AT

Telecommunication Industry (Class A)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

	2013	2012	2011	2010	2009
37 Net Operating Income	\$791,399	(\$1,743,596)	(\$1,684,217)	(\$1,554,963)	(\$745,539)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	541	541	(21,198)	4,242	5,559
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	15,330	14,786	18,157	14,414	16,598
42 Gains/Losses - Disposal of Property		(1)			
43 Equity in Earnings of Affiliated Companies	411,878	332,382	426,645	488,801	563,961
44 Other Non-Operating Income	(69,250)	(58,378)	(21,998)	(18,678)	(18,857)
45 Special Charges	6,596	12,810	5,709	8,254	8,336
46 Total Non-Operating Income & Expenses	351,903	276,521	395,897	480,525	558,925
NON-OPERATING TAXES					
47 Federal Income Taxes	31,545	(12,947)	649	9,230	13,793
48 Other	1,360	(58,069)	3,870	3,946	3,804
49 Total Non-Operating Taxes	32,905	(71,016)	4,518	13,176	17,597
50 Income Available Before Interest Charges	1,110,397	(1,396,059)	(1,292,838)	(1,087,615)	(204,212)
INTEREST CHARGES					
51 Interest on Funded Debt	76,748	88,486	151,539	169,909	186,170
52 Other Interest Expense	296,324	242,822	161,491	180,289	116,792
53 Total Interest Charges	373,072	331,308	313,030	350,198	302,962
54 Income Before Extraordinary & Nonreg Items	737,325	(1,727,367)	(1,605,867)	(1,437,813)	(507,173)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	50,413	47,033	43,081	47,212	46,659
57 Total Extraordinary & Nonregulated Items	50,413	47,033	43,081	47,212	46,659
58 Net Income	\$787,738	(\$1,680,334)	(\$1,562,786)	(\$1,390,600)	(\$460,514)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$9,074,367)	(\$7,149,796)	(\$5,187,285)	(\$3,993,866)	(\$3,602,657)
60 Transferred from Income	325,448	(2,059,749)	(2,032,512)	(1,926,613)	(1,071,134)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	25,000		350,000	250,000	140,000
64 Adjustments	300,000	135,179	420,000	983,194	819,926
65 Ending Year Balance	(8,473,919)	(9,074,367)	(7,149,796)	(5,187,285)	(3,993,866)
66 Appropriated/Undistr Affiliate Retained Earnings	610,614	498,736	374,354	367,710	462,839
67 Total Retained Earnings	(\$7,863,305)	(\$8,575,630)	(\$6,775,442)	(\$4,819,575)	(\$3,531,027)

Table 1 BT

Telecommunication Industry (Class B)
Comparative Balance Sheet
For the Year Ended December 31,
(\$000s)

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$55,067	\$51,043	\$56,444	\$63,745	\$59,081
2 Accounts Receivable (Net)	114,121	109,705	105,726	83,423	78,701
3 Current Deferred Income Taxes	260	288	303	254	237
4 Other Current Assets	15,619	14,526	13,337	15,066	15,241
5 Total Current Assets	185,068	175,562	175,810	162,488	153,261
NON-CURRENT ASSETS					
6 Investments	186,616	202,649	153,097	231,701	213,057
7 Unamortized Debt Issuance Costs	58	66	123	118	164
8 Deferred Charges	4,358	5,694	5,495	5,205	4,935
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	12,655	12,825	11,873	10,841	10,176
11 Other Non-Current Assets	20,524	21,402	23,744	25,725	26,636
12 Total Non-Current Assets	224,210	242,637	194,332	273,590	254,968
REGULATED PLANT					
13 Total Telecommunications Plant	1,141,744	1,133,356	1,117,117	1,107,927	1,091,494
14 Less: Accumulated Depr and Amort.	882,170	859,398	829,066	799,722	769,031
15 Net Regulated Plant	259,573	273,958	288,051	308,205	322,463
16 Total Assets & Other Debits	\$668,852	\$692,157	\$658,193	\$744,284	\$730,691
CURRENT LIABILITIES					
17 Accounts Payable	\$72,942	\$108,095	\$70,464	\$57,964	\$47,672
18 Notes Payable	6,291	6,052	10,657	6,146	4,174
19 Advanced Billings	3,225	3,488	3,750	4,010	3,517
20 Customer Deposits	33	50	54	70	132
21 Current Maturities - Long-Term Debt	1,431	3,490	4,967	6,150	3,574
22 Current Deferred Income Taxes	(39)	(33)	(60)	(2)	(65)
23 Other Current Liabilities	15,175	14,576	12,983	11,771	7,741
24 Total Current Liabilities	99,059	135,718	102,816	86,109	66,746
LONG-TERM DEBT					
25 Long-Term Debt	12,026	13,727	15,553	18,998	26,138
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					0
27 Non-Current Deferred Taxes	60,121	49,526	51,036	51,810	53,020
28 Other Deferred Credits	18,444	19,521	20,434	22,193	23,117
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	33,421	35,603	37,296	36,126	37,845
31 Total Other Liab. and Def. Credits	111,986	104,650	108,765	110,129	113,982
STOCKHOLDER'S EQUITY					
32 Common Stock	28,493	28,493	28,556	28,553	28,553
33 Preferred Stock	416	419	924	924	925
34 Other Paid in Capital	116,663	119,788	97,373	96,599	96,393
35 Retained Earnings	300,209	289,362	304,207	402,971	397,954
36 Total Stockholder's Equity	445,781	438,062	431,059	529,048	523,825
37 Total Liab. and Stockholder's Equity	\$668,852	\$692,157	\$658,193	\$744,284	\$730,691

Telecommunication Industry (Class B)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

INCOME STATEMENT**TELEPHONE OPERATING REVENUES**

Local Network Services	\$60,726	\$64,743	\$68,501	\$71,980	\$76,819	1
Network Access Services	104,813	109,650	114,828	117,673	121,727	2
Long Distance Network Services	2,075	2,469	2,967	2,721	3,036	3
Miscellaneous Revenues	39,014	40,931	43,900	46,958	48,858	4
Less: Uncollectible Revenues	786	1,738	1,830	1,814	1,628	5
Total Operating Revenues	205,842	214,735	228,367	237,519	248,813	6

TELEPHONE OPERATING EXPENSES

Network Support Expenses	925	346	11,918	380	282	7
General Support Expenses	12,545	13,535	14,448	16,062	13,070	8
Central Office Switching	9,962	10,905	11,263	10,886	12,019	9
Operator Systems Expense	3	6	43	51	39	10
Central Office Transmission	7,364	7,216	7,441	7,006	7,297	11
Info. Origination/Termination	3,825	4,426	5,927	5,214	5,422	12
Cable & Wire Facilities	16,025	16,706	16,969	15,632	16,133	13
Total Plant Specific Operations	50,651	53,140	68,010	55,231	54,262	14
Other Plant, Property & Equipment	75	218	181	242	303	15
Network Operations	13,790	14,886	17,470	15,973	15,718	16
Access Expense	5,427	6,641	6,727	6,243	6,888	17
Depreciation and Amortization	39,309	40,778	43,059	44,766	48,396	18
Total Plant Non-Specific Operations	58,600	62,523	67,438	67,224	71,306	19
Marketing Expense	5,669	7,017	8,924	8,502	8,648	20
Services Expense	15,260	17,761	19,527	19,258	20,814	21
Total Customer Operations	20,929	24,777	28,451	27,760	29,463	22
Executive & Planning	9,011	11,175	11,059	11,697	10,895	23
General & Administrative	24,836	28,478	19,195	29,810	30,545	24
Provision - Uncollectible Notes Rec.						25
Other			40			26
Total Corporate Operations	33,847	39,654	30,293	41,506	41,440	27
Total Operations Expense	164,028	179,709	194,192	191,721	196,470	28
Other Operating Income & Expenses	44	2	(82)	10	24	29
State & Local Income Taxes	169	154	149	196	186	30
Other Taxes	14,360	14,671	13,671	14,486	16,558	31
Net Operating Income Before FIT	27,329	20,204	20,272	31,125	35,623	32
Investment Tax Credits - Net						33
Federal Income Taxes	(4,261)	(4,644)	(6,625)	(5)	14,650	34
Provision - Def. Operating Income Taxes - Net	10,423	10,570	12,150	10,321	440	35
Net Operating Income	\$21,209	\$14,278	\$14,748	\$20,810	\$20,532	36

Table 3 BT

Telecommunication Industry (Class B)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

	2013	2012	2011	2010	2009
37 Net Operating Income	\$21,209	\$14,278	\$14,748	\$20,810	\$20,532
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	\$249	\$220	\$159	263	84
39 Interest Income	\$519	\$639	703	749	3,955
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	\$107	\$101	105	43	69
42 Gains/Losses - Disposal of Property	\$41	\$60	78	143	97
43 Equity in Earnings of Affiliated Companies	\$3,425	(\$1,814)	(976)	(181)	122
44 Other Non-Operating Income	(\$1,451)	\$6,943	6,240	11,456	9,958
45 Special Charges	\$466	(\$316)	(2,615)	2,930	646
46 Total Non-Operating Income & Expenses	\$2,424	\$6,465	6,684	9,543	13,639
NON-OPERATING TAXES					
47 Federal Income Taxes	\$2,841	\$2,031	2,829	3,216	1,738
48 Other	\$11	\$99	(37)	127	69
49 Total Non-Operating Taxes	\$2,852	\$2,131	2,792	3,343	1,807
50 Income Available Before Interest Charges	\$20,781	\$18,612	18,640	27,010	32,364
INTEREST CHARGES					
51 Interest on Funded Debt	\$662	\$930	1,242	1,534	1,648
52 Other Interest Expense	\$1,695	\$1,890	1,561	1,446	962
53 Total Interest Charges	\$2,356	\$2,820	2,802	2,981	2,610
54 Income Before Extraordinary & Nonreg Items	\$18,425	\$15,792	15,837	24,029	29,754
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	\$3,497	\$2,636	2,411	5,582	4,559
57 Total Extraordinary & Nonregulated Items	\$3,497	\$2,636	1,710	4,852	4,559
58 Net Income	\$21,921	\$18,428	\$17,547	\$28,881	\$34,313
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$283,065	\$311,621	\$398,649	\$392,805	\$376,391
60 Transferred from Income	16,978	14,515	14,215	24,964	34,170
61 Appropriations	7		1,134	2,921	
Dividends Declared:					
62 Preferred Stock	23	23	48	48	49
63 Common Stock	4,595	5,003	56,825	17,348	19,860
64 Adjustments	43	13,148	(38,845)	1,198	2,153
65 Ending Year Balance	295,461	284,871	311,621	398,649	392,805
66 Appropriated/Undistr Affiliate Retained Earnings	4,748	4,491	3,950	4,323	5,149
67 Total Retained Earnings	\$300,209	\$289,362	\$315,570	\$402,971	\$397,954

ALLTEL New York, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$34,047,269	\$29,784,032	\$31,833,484	\$29,119,453	\$26,645,968
2 Accounts Receivable (Net)	7,326,251	9,503,149	4,836,991	4,434,796	3,612,095
3 Current Deferred Income Taxes					
4 Other Current Assets	492,934	502,400	490,397	2,017,154	2,598,819
5 Total Current Assets	41,866,454	39,789,581	37,160,872	35,571,403	32,856,882
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	123,105	218,609	346,414	484,446	613,142
12 Total Non-Current Assets	123,105	218,609	346,414	484,446	613,142
REGULATED PLANT					
13 Total Telecommunications Plant	239,987,852	231,685,353	223,507,156	219,783,008	213,305,524
14 Less: Accumulated Depr and Amort.	184,934,217	177,728,068	169,303,614	161,406,175	153,324,053
15 Net Regulated Plant	55,053,635	53,957,285	54,203,542	58,376,833	59,981,471
16 Total Assets & Other Debits	\$97,043,194	\$93,965,475	\$91,710,828	\$94,432,682	\$93,451,495
CURRENT LIABILITIES					
17 Accounts Payable	\$1,874,825	(\$227,403)	(\$113,197)	\$2,255,870	\$362,274
18 Notes Payable					
19 Advanced Billings	237,311	244,264	259,222	307,659	369,506
20 Customer Deposits	850	850	850	878	1,600
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	4,513,809	5,155,213	2,001,108	1,587,876	1,413,201
24 Total Current Liabilities	6,626,795	5,172,924	2,147,983	4,152,283	2,146,581
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	10,290,691	10,528,723	11,753,532	12,443,877	13,903,899
28 Other Deferred Credits	1,161,377	1,199,246	1,204,892	1,356,691	1,365,341
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	11,452,068	11,727,969	12,958,424	13,800,568	15,269,240
STOCKHOLDER'S EQUITY					
32 Common Stock	16,705,393	16,705,393	16,705,393	16,705,393	16,705,393
33 Preferred Stock					
34 Other Paid in Capital	7,310,322	7,310,322	7,310,322	7,310,322	7,310,813
35 Retained Earnings	54,948,616	53,048,867	52,588,706	52,464,116	52,019,468
36 Total Stockholder's Equity	78,964,331	77,064,582	76,604,421	76,479,831	76,035,674
37 Total Liab. and Stockholder's Equity	\$97,043,194	\$93,965,475	\$91,710,828	\$94,432,682	\$93,451,495

ALLTEL New York, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$13,645,381	\$14,118,783	\$14,753,010	\$15,657,419	\$16,874,261	1
Network Access Services	16,689,802	17,544,838	17,724,659	18,080,383	17,865,333	2
Long Distance Network Services	412,169	528,501	571,977	643,455	755,583	3
Miscellaneous Revenues	4,986,084	5,424,862	5,563,322	5,626,395	5,824,857	4
Less: Uncollectible Revenues	386,201	421,122	457,089	438,410	501,526	5
Total Operating Revenues	35,347,235	37,195,862	38,155,879	39,569,242	40,818,508	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	(60,846)	42,247	11,575,046	1,435	(15,005)	7
General Support Expenses	968,463	956,869	1,026,929	1,549,636	1,758,329	8
Central Office Switching	1,499,237	1,701,704	2,012,143	1,786,925	2,098,093	9
Operator Systems Expense						10
Central Office Transmission	987,283	1,187,163	1,585,113	1,392,894	1,436,086	11
Info. Origination/Termination	(310)	2,455	8,917	2,792	1,457	12
Cable & Wire Facilities	3,963,639	3,278,271	2,759,980	2,868,052	3,031,883	13
Total Plant Specific Operations	7,357,465	7,168,709	18,968,128	7,601,734	8,310,843	14
Other Plant, Property & Equipment	24,491	42,910	22,580	58,004	56,201	15
Network Operations	1,670,319	1,746,989	4,969,760	2,765,330	2,592,418	16
Access Expense	657,729	920,539	1,084,639	935,437	1,607,186	17
Depreciation and Amortization	9,223,788	8,806,911	8,403,704	8,767,317	8,385,425	18
Total Plant Non-Specific Operations	11,576,327	11,517,349	14,480,683	12,526,088	12,641,230	19
Marketing Expense	1,259,194	1,653,964	3,084,629	2,472,060	2,537,508	20
Services Expense	564,986	1,040,996	1,864,219	1,557,923	1,759,852	21
Total Customer Operations	1,824,180	2,694,960	4,948,848	4,029,983	4,297,360	22
Executive & Planning	260,975	368,087	364,945	422,852	459,516	23
General & Administrative	719,199	2,739,229	(8,421,774)	2,702,381	3,904,901	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	980,174	3,107,316	(8,056,829)	3,125,233	4,364,417	27
Total Operations Expense	21,738,146	24,488,334	30,340,830	27,283,038	29,613,850	28
Other Operating Income & Expenses	(5,748)	(3,595)				29
State & Local Income Taxes						30
Other Taxes	3,320,322	3,632,662	3,553,122	3,568,859	3,884,753	31
Net Operating Income Before FIT	10,283,019	9,071,271	4,261,927	8,717,344	7,319,905	32
Investment Tax Credits - Net						33
Federal Income Taxes	2,940,652	3,520,533	1,279,744	3,753,385	1,220,776	34
Provision - Def. Operating Income Taxes - Net	(238,032)	(1,195,192)	(690,345)	(1,460,022)	693,274	35
Net Operating Income	\$7,580,399	\$6,745,930	\$3,672,528	\$6,423,981	\$5,405,855	36

ALLTEL New York, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$7,580,399	\$6,745,930	\$3,672,528	\$6,423,981	\$5,405,855
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	226,426	256,140	263,510	244,188	276,609
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	85,594	73,774	39,004	13,332	15,342
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	(2,272,938)	(2,476,549)	(2,735,662)	(2,436,786)	(2,155,833)
45 Special Charges		(880)	776		
46 Total Non-Operating Income & Expenses	(1,960,918)	(2,145,755)	(2,433,924)	(2,179,266)	(1,863,882)
NON-OPERATING TAXES					
47 Federal Income Taxes					
48 Other					
49 Total Non-Operating Taxes					
50 Income Available Before Interest Charges	5,619,481	4,600,175	1,238,604	4,244,715	3,541,973
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	3	14	14	67	91
53 Total Interest Charges	3	14	14	67	91
54 Income Before Extraordinary & Nonreg Items	5,619,478	4,600,161	1,238,590	4,244,648	3,541,882
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$5,619,478	\$4,600,161	\$1,238,590	\$4,244,648	\$3,541,882
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$53,048,867	\$52,588,706	\$52,464,116	\$52,019,468	\$51,727,052
60 Transferred from Income	5,619,478	4,600,161	1,238,590	4,244,648	3,541,882
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	3,719,729	4,140,000	1,114,000	3,800,000	3,249,466
64 Adjustments					
65 Ending Year Balance	54,948,616	53,048,867	52,588,706	52,464,116	52,019,468
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$54,948,616	\$53,048,867	\$52,588,706	\$52,464,116	\$52,019,468

Armstrong Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$151,933	\$2,141,665	\$1,489,922	\$1,182,733	\$1,042,906
2 Accounts Receivable (Net)	491,584	522,365	562,482	549,569	619,220
3 Current Deferred Income Taxes	23,360	22,854	22,295	21,720	20,966
4 Other Current Assets	134,554	154,025	152,131	143,925	165,648
5 Total Current Assets	801,432	2,840,909	2,226,830	1,897,947	1,848,740
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	7,124	7,124	7,124	7,124	7,124
11 Other Non-Current Assets					
12 Total Non-Current Assets	7,124	7,124	7,124	7,124	7,124
REGULATED PLANT					
13 Total Telecommunications Plant	11,392,772	11,463,560	13,274,702	14,047,791	14,116,636
14 Less: Accumulated Depreciation and Amort.	8,898,260	8,558,334	9,721,513	9,858,109	9,474,784
15 Net Regulated Plant	2,494,511	2,905,225	3,553,188	4,189,682	4,641,852
16 Total Assets & Other Debits	\$3,303,067	\$5,753,258	\$5,787,142	\$6,094,752.2	\$6,497,716
CURRENT LIABILITIES					
17 Accounts Payable	\$193,849	\$362,550	\$153,998	\$192,455	\$308,230
18 Notes Payable					
19 Advanced Billings	121,674	118,751	129,387	98,165	92,663
20 Customer Deposits	1,700	1,700			
21 Current Maturities - Long-Term Debt	600,000	2,597,312	2,725,733	2,860,965	162,585
22 Current Deferred Income Taxes					
23 Other Current Liabilities	141,294	154,498	165,455	186,460	181,468
24 Total Current Liabilities	1,058,517	3,234,811	3,174,575	3,338,045	744,946
LONG-TERM DEBT					
25 Long-Term Debt				24,550	2,887,691
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	160,614	263,396	403,562	504,534	561,833
28 Other Deferred Credits	66,369	64,929	63,334	61,690	59,538
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	226,982	328,325	466,895	566,225	621,370
STOCKHOLDER'S EQUITY					
32 Common Stock	243,000	243,000	243,000	243,000	243,000
33 Preferred Stock					
34 Other Paid in Capital	21,000	21,000	21,000	21,000	21,000
35 Retained Earnings	1,753,568	1,926,122	1,881,668	1,901,933	1,979,709
36 Total Stockholder's Equity	2,017,568	2,190,122	2,145,668	2,165,933	2,243,709
37 Total Liab. and Stockholder's Equity	\$3,303,067	\$5,753,258	\$5,787,138	\$6,094,752.9	\$6,497,716

Armstrong Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$718,715	\$664,849	\$643,768	\$608,287	\$632,668	1
Network Access Services	2,893,626	3,096,327	3,084,430	3,553,063	3,299,090	2
Long Distance Network Services	2,383	2,383	2,383	3,277	2,383	3
Miscellaneous Revenues	597,857	822,654	804,972	449,743	493,057	4
Less: Uncollectible Revenues	16,439	7,580	36,887	8,570	(232)	5
Total Operating Revenues	4,196,141	4,578,633	4,498,666	4,605,800	4,427,430	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses		2,137				7
General Support Expenses	69,323	66,047	65,142	75,940	82,053	8
Central Office Switching	101,555	121,931	125,962	171,184	227,766	9
Operator Systems Expense						10
Central Office Transmission	582,174	526,000	476,850	443,813	331,483	11
Info. Origination/Termination	456,422	330,281	308,576	370,149	349,749	12
Cable & Wire Facilities	331,890	339,290	341,152	292,130	332,740	13
Total Plant Specific Operations	1,541,365	1,385,686	1,317,682	1,353,215	1,323,792	14
Other Plant, Property & Equipment	517	973				15
Network Operations	419,298	396,103	397,269	377,298	363,015	16
Access Expense	78,608	87,178	38,626	25,516	22,209	17
Depreciation and Amortization	486,016	696,371	787,618	757,128	933,528	18
Total Plant Non-Specific Operations	984,438	1,180,625	1,223,513	1,159,942	1,318,752	19
Marketing Expense	41,644	43,939	49,588	15,901	18,160	20
Services Expense	387,987	389,783	422,758	437,099	411,089	21
Total Customer Operations	429,631	433,722	472,346	453,000	429,249	22
Executive & Planning	483,012	483,031	487,759	486,146	488,541	23
General & Administrative	658,749	615,559	665,967	799,898	826,561	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,141,761	1,098,590	1,153,726	1,286,045	1,315,102	27
Total Operations Expense	4,097,194	4,098,623	4,167,267	4,252,203	4,386,895	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	265,351	308,103	265,753	262,254	260,360	31
Net Operating Income Before FIT	(166,404)	171,907	65,646	91,344	(219,825)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(41,473)	(7,594)	(53,045)	17,345	(172,316)	34
Provision - Def. Operating Income Taxes - Net						35
Net Operating Income	(\$124,931)	\$179,501	\$118,691	\$73,999	(\$47,509)	36

Armstrong Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$124,931)	\$179,501	\$118,691	\$73,999	(\$47,509)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	(1,650)	(2,883)	1,779	1,750	4,303
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	82	4,851	5,296	3,019	55,262
45 Special Charges	665	570	560	685	780
46 Total Non-Operating Income & Expenses	(2,233)	1,398	6,515	4,084	58,785
NON-OPERATING TAXES					
47 Federal Income Taxes		3,026	5,322	7,457	23,606
48 Other					
49 Total Non-Operating Taxes		3,026	5,322	7,457	23,606
50 Income Available Before Interest Charges	(127,164)	177,873	119,884	70,626	(12,330)
INTEREST CHARGES					
51 Interest on Funded Debt	38,392	133,423	140,147	148,400	156,500
52 Other Interest Expense					
53 Total Interest Charges	38,392	133,423	140,147	148,400	156,500
54 Income Before Extraordinary & Nonreg Items	(165,556)	44,450	(20,263)	(77,775)	(168,829)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$165,556)	\$44,450	(\$20,263)	(\$77,775)	(\$168,829)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,926,122	\$1,881,668	\$1,901,932	\$1,979,709	\$2,148,538
60 Transferred from Income	(165,556)	44,450	(20,264)	(77,775)	(168,829)
61 Appropriations	7,000				
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments	3	4			
65 Ending Year Balance	1,753,568	1,926,122	1,881,668	1,901,934	1,979,709
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$1,753,568	\$1,926,122	\$1,881,668	\$1,901,934	\$1,979,709

Berkshire Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$18,323	\$16,304	\$13,991	\$9,862	\$14,731
2 Accounts Receivable (Net)	98,922	219,072	51,388	357,716	675,666
3 Current Deferred Income Taxes	13,194	8,252	12,051	11,370	11,048
4 Other Current Assets	99,999	81,900	66,622	74,636	66,610
5 Total Current Assets	230,437	325,528	144,053	453,585	768,055
NON-CURRENT ASSETS					
6 Investments	870,144	872,630	1,104,897	1,274,854	1,419,038
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					2,224
11 Other Non-Current Assets	650,834	650,769	650,704	650,616	649,664
12 Total Non-Current Assets	1,520,978	1,523,399	1,755,601	1,925,470	2,070,926
REGULATED PLANT					
13 Total Telecommunications Plant	15,913,976	17,426,653	17,391,060	17,265,764	16,965,175
14 Less: Accumulated Depr and Amort.	11,272,645	12,165,134	11,865,825	11,232,232	10,989,317
15 Net Regulated Plant	4,641,331	5,261,519	5,525,235	6,033,532	5,975,858
16 Total Assets & Other Debits	\$6,392,746	\$7,110,445	\$7,424,889	\$8,412,585	\$8,814,839
CURRENT LIABILITIES					
17 Accounts Payable	(\$2,140,189)	(\$1,472,336)	(\$1,727,221)	(1,237,179)	(\$932,014)
18 Notes Payable					
19 Advanced Billings	13,719	14,719	49,474	34,397	14,591
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	47,656	31,384	17,790	56,764	33,327
24 Total Current Liabilities	(2,078,814)	(1,426,233)	(1,659,958)	(1,146,018)	(884,096)
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	918,729	993,875	1,050,104	1,111,299	1,018,013
28 Other Deferred Credits					6,355
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	22,049	22,049	22,049	103,173	171,142
31 Total Other Liab. and Def. Credits	940,778	1,015,924	1,072,153	1,214,472	1,195,510
STOCKHOLDER'S EQUITY					
32 Common Stock	81,160	81,160	81,160	81,160	81,160
33 Preferred Stock					
34 Other Paid in Capital	(1,158,000)	(1,346,000)	(1,130,000)	(984,000)	(803,000)
35 Retained Earnings	8,607,621	8,785,595	9,061,533	9,246,971	9,225,265
36 Total Stockholder's Equity	7,530,781	7,520,755	8,012,693	8,344,131	8,503,425
37 Total Liab. and Stockholder's Equity	\$6,392,746	\$7,110,446	\$7,424,889	\$8,412,585	\$8,814,839

Berkshire Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$769,230	\$781,401	\$888,690	\$941,131	\$948,908	1
Network Access Services	1,639,787	1,449,451	1,423,465	1,852,527	2,074,998	2
Long Distance Network Services	1,541	2,402	1,449	4,434	5,144	3
Miscellaneous Revenues	234,030	255,925	340,979	307,061	346,701	4
Less: Uncollectible Revenues	46,830	28,322	35,899	50,475	63,625	5
Total Operating Revenues	2,597,759	2,460,857	2,618,684	3,054,678	3,312,126	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses			188	35		7
General Support Expenses	519,187	459,613	482,383	766,161	275,477	8
Central Office Switching	196,317	164,044	194,099	238,567	305,905	9
Operator Systems Expense						10
Central Office Transmission	1,291	834	493	6,817	7,700	11
Info. Origination/Termination						12
Cable & Wire Facilities	239,110	323,691	374,045	293,203	355,880	13
Total Plant Specific Operations	955,905	948,182	1,051,208	1,304,783	944,962	14
Other Plant, Property & Equipment						15
Network Operations	131,625	127,747	119,398	197,173	245,134	16
Access Expense	58,252	39,768	97,115	96,680	80,184	17
Depreciation and Amortization	554,076	578,298	641,793	751,497	814,390	18
Total Plant Non-Specific Operations	743,953	745,813	858,306	1,045,350	1,139,708	19
Marketing Expense	62,885	80,971	82,426	80,936	86,203	20
Services Expense	259,470	270,629	299,193	327,171	360,619	21
Total Customer Operations	322,354	351,600	381,619	408,107	446,822	22
Executive & Planning	100,622	125,115	49,220	142,979	150,010	23
General & Administrative	354,092	413,498	415,702	380,627	641,404	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	454,714	538,613	464,922	523,606	791,414	27
Total Operations Expense	2,476,926	2,584,208	2,756,055	3,281,846	3,322,906	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	187,082	181,869	80,464	196,345	179,120	31
Net Operating Income Before FIT	(66,249)	(305,220)	(217,835)	(423,512)	(189,900)	32
Investment Tax Credits - Net						33
Federal Income Taxes	75,830	(68,322)	(52,800)	(102,247)	(24,946)	34
Provision - Def. Operating Income Taxes - Net	(80,209)	(52,167)	(61,876)	(86,184)	(233,176)	35
Net Operating Income	(\$61,870)	(\$184,731)	(\$103,159)	(\$235,081)	\$68,222	36

Berkshire Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$61,870)	(\$184,731)	(\$103,159)	(\$235,081)	\$68,222
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(190,486)	(68,268)	(50,956)	(27,184)	
44 Other Non-Operating Income					
45 Special Charges					
46 Total Non-Operating Income & Expenses	(190,486)	(68,268)	(50,956)	(27,184)	
NON-OPERATING TAXES					
47 Federal Income Taxes	17,769	20,704	25,144	205,948	406,505
48 Other	(93,599)				
49 Total Non-Operating Taxes	(75,830)	20,704	25,144	205,948	406,505
50 Income Available Before Interest Charges	(176,526)	(273,703)	(179,259)	(468,213)	(338,283)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	121	(263)	87,868		
53 Total Interest Charges	121	(263)	87,868		
54 Income Before Extraordinary & Nonreg Items	(176,647)	(273,440)	(267,127)	(468,213)	(338,283)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	(1,326)	(2,500)	81,690	462,736	644,450
57 Total Extraordinary & Nonregulated Items	(1,326)	(2,500)	81,690	462,736	644,450
58 Net Income	(\$177,973)	(\$275,940)	(\$185,437)	(\$5,477)	\$306,167
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$8,785,593	\$9,061,533	\$9,246,972	\$9,225,265	\$8,919,098
60 Transferred from Income	(177,972)	(275,940)	(134,481)	21,707	306,167
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments			(50,958)		
65 Ending Year Balance	8,607,621	8,785,593	9,061,533	9,246,972	9,225,265
66 Appropriated/Undistributed Affiliated Retained Earnings					
67 Total Retained Earnings	\$8,607,621	\$8,785,593	\$9,061,533	\$9,246,972	\$9,225,265

Cassadaga Telephone Corp.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$12,422	\$1,179	\$265	\$1,114	\$4,172
2 Accounts Receivable (Net)	49,806	43,591	60,452	57,093	48,574
3 Current Deferred Income Taxes	6,433	6,030	5,472	4,833	4,471
4 Other Current Assets	1,314,059	1,214,429	934,617	724,184	566,601
5 Total Current Assets	1,382,720	1,265,229	1,000,806	787,224	623,818
NON-CURRENT ASSETS					
6 Investments	(81,618)	(51,857)	3,055	24,454	(2,372)
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	73,883	73,581	73,581	73,581	73,463
11 Other Non-Current Assets					
12 Total Non-Current Assets	(7,735)	21,724	76,636	98,035	71,091
REGULATED PLANT					
13 Total Telecommunications Plant	3,151,184	3,090,330	3,077,113	3,040,109	2,985,022
14 Less: Accumulated Depr and Amort.	2,287,500	2,146,525	1,997,282	1,879,152	1,768,048
15 Net Regulated Plant	863,684	943,805	1,079,831	1,160,957	1,216,974
16 Total Assets & Other Debits	\$2,238,669	\$2,230,758	\$2,157,273	\$2,046,216	\$1,911,883
CURRENT LIABILITIES					
17 Accounts Payable	\$1,923		\$4,321	\$15,274	\$56,888
18 Notes Payable					
19 Advanced Billings					
20 Customer Deposits	150	260	760	760	930
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	46,194	54,675	15,961	29,297	3,784
24 Total Current Liabilities	48,267	54,935	21,042	45,331	61,602
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	255,357	282,074	314,267	311,318	316,514
28 Other Deferred Credits	25,703	24,517	22,877	20,998	19,935
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	281,060	306,591	337,144	332,316	336,449
STOCKHOLDER'S EQUITY					
32 Common Stock	27,800	27,800	27,800	27,800	27,800
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	1,881,542	1,841,432	1,771,287	1,640,769	1,486,032
36 Total Stockholder's Equity	1,909,342	1,869,232	1,799,087	1,668,569	1,513,832
37 Total Liab. and Stockholder's Equity	\$2,238,669	\$2,230,758	\$2,157,273	\$2,046,216	\$1,911,883

Cassadaga Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$230,955	\$245,213	\$259,021	\$240,503	\$248,406	1
Network Access Services	519,027	529,587	544,891	570,446	587,503	2
Long Distance Network Services	237	242	291	416	569	3
Miscellaneous Revenues	30,432	48,901	59,556	63,512	80,811	4
Less: Uncollectible Revenues	(2,075)	8,199	(532)	2,208	1,287	5
Total Operating Revenues	782,726	815,744	864,291	872,669	916,002	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses				30		7
General Support Expenses	53,628	49,219	46,467	58,081	59,762	8
Central Office Switching	42,756	36,693	31,137	30,115	20,436	9
Operator Systems Expense						10
Central Office Transmission	96,606	83,926	61,331	62,442	44,698	11
Info. Origination/Termination						12
Cable & Wire Facilities	27,380	20,562	28,591	40,440	43,053	13
Total Plant Specific Operations	220,370	190,400	167,526	191,108	167,949	14
Other Plant, Property & Equipment	5,161	5,330	4,688	5,369	5,583	15
Network Operations	22,027	24,340	37,269	64,039	54,900	16
Access Expense	25,783	28,840	21,538	20,407	19,072	17
Depreciation and Amortization	151,800	151,185	149,054	145,691	142,181	18
Total Plant Non-Specific Operations	204,771	209,695	212,549	235,506	221,736	19
Marketing Expense	31,171	28,425	32,539	36,228	36,421	20
Services Expense	93,798	107,948	98,488	72,721	121,131	21
Total Customer Operations	124,969	136,373	131,027	108,949	157,552	22
Executive & Planning	82,656	48,364	67,228	83,695	163,320	23
General & Administrative	52,280	48,624	59,678	59,890	60,547	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	134,936	96,988	126,906	143,585	223,867	27
Total Operations Expense	685,046	633,456	638,008	679,148	771,104	28
Other Operating Income & Expenses				(5,435)	7,879	29
State & Local Income Taxes						30
Other Taxes	30,034	30,837	30,471	31,073	36,053	31
Net Operating Income Before FIT	67,646	151,451	195,812	157,013	116,724	32
Investment Tax Credits - Net						33
Federal Income Taxes	63,423	99,298	72,858	71,067	31,754	34
Provision - Def. Operating Income Taxes - Net	(27,422)	(32,750)	2,310	(5,679)	15,758	35
Net Operating Income	\$31,645	\$84,903	\$120,644	\$91,625	\$69,212	36

Cassadaga Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$31,645	\$84,903	\$120,644	\$91,625	\$69,212
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income			20		
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					(256)
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(29,761)	(54,912)	(21,399)	26,826	18,293
44 Other Non-Operating Income					
45 Special Charges					
46 Total Non-Operating Income & Expenses	(29,761)	(54,912)	(21,379)	26,826	18,037
NON-OPERATING TAXES					
47 Federal Income Taxes					
48 Other					
49 Total Non-Operating Taxes					
50 Income Available Before Interest Charges	1,884	29,991	99,265	118,451	87,249
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	(38,226)	(40,154)	(31,253)	(36,286)	(24,373)
53 Total Interest Charges	(38,226)	(40,154)	(31,253)	(36,286)	(24,373)
54 Income Before Extraordinary & Nonreg Items	40,110	70,145	130,518	154,737	111,622
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$40,110	\$70,145	\$130,518	\$154,737	\$111,622
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,673,289	\$1,548,232	\$1,396,315	\$1,268,404	\$1,175,075
60 Transferred from Income	69,871	125,057	151,917	127,911	93,329
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	1,743,160	1,673,289	1,548,232	1,396,315	1,268,404
66 Appropriated/Undistr Affiliate Retained Earnings	138,382	168,143	223,055	244,454	217,628
67 Total Retained Earnings	\$1,881,542	\$1,841,432	\$1,771,287	\$1,640,769	\$1,486,032

**Champlain Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$11,669	\$11,303	\$773	\$145,988	\$183,884
2 Accounts Receivable (Net)	2,896,982	2,836,538	2,459,153	2,335,548	2,019,210
3 Current Deferred Income Taxes			28,283	26,188	24,240
4 Other Current Assets	271,491	206,510	271,720	272,604	309,513
5 Total Current Assets	3,180,142	3,054,351	2,759,929	2,780,328	2,536,847
NON-CURRENT ASSETS					
6 Investments		34,947	64,535	147,767	25,514
7 Unamortized Debt Issuance Costs	2,533	3,983	5,431	6,881	8,329
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1,637,109	1,451,818	1,380,174	1,250,905	1,235,684
11 Other Non-Current Assets					
12 Total Non-Current Assets	1,639,642	1,490,748	1,450,140	1,405,553	1,269,527
REGULATED PLANT					
13 Total Telecommunications Plant	12,922,894	12,920,635	12,970,304	13,030,151	13,139,928
14 Less: Accumulated Depr and Amort.	9,460,929	9,058,248	8,693,199	8,297,599	8,075,363
15 Net Regulated Plant	3,461,965	3,862,387	4,277,105	4,732,552	5,064,565
16 Total Assets & Other Debits	\$8,281,749	\$8,407,486	\$8,487,174	\$8,918,433	\$8,870,939
CURRENT LIABILITIES					
17 Accounts Payable	\$1,110,531	\$844,154	\$956,095	\$779,815	\$584,874
18 Notes Payable	222,500	446,500			
19 Advanced Billings	16,940	15,280		20,625	11,175
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	162,081	162,081	162,081	162,081	162,081
22 Current Deferred Income Taxes					
23 Other Current Liabilities	1,730,200	1,606,295	1,170,837	920,574	19,043
24 Total Current Liabilities	3,242,252	3,074,310	2,289,013	1,883,095	777,173
LONG-TERM DEBT					
25 Long-Term Debt	202,598	390,647	569,571	739,918	902,033
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	679,464	737,921	794,595	808,105	813,441
28 Other Deferred Credits	2,155,323	2,325,774	2,436,663	2,434,271	2,428,542
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	764,831				790,918
31 Total Other Liab. and Def. Credits	3,599,618	3,063,695	3,231,258	3,242,376	4,032,901
STOCKHOLDER'S EQUITY					
32 Common Stock	210,000	210,000	210,000	210,000	210,000
33 Preferred Stock	137,350	137,350	137,350	137,350	137,350
34 Other Paid in Capital	(33,563)	(29,348)	(61,342)	77,519	(26,533)
35 Retained Earnings	923,494	1,560,832	2,111,324	2,628,175	2,838,015
36 Total Stockholder's Equity	1,237,281	1,878,834	2,397,332	3,053,044	3,158,832
37 Total Liab. and Stockholder's Equity	\$8,281,749	\$8,407,486	\$8,487,174	\$8,918,433	\$8,870,939

Champlain Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,258,989	\$1,187,952	\$1,146,408	\$1,108,748	\$1,183,604	1
Network Access Services	2,765,385	3,119,000	3,364,867	3,564,053	3,808,154	2
Long Distance Network Services						3
Miscellaneous Revenues	53,673	46,072	58,682	80,429	76,382	4
Less: Uncollectible Revenues	4,800	4,800	1,300	3,000	5,000	5
Total Operating Revenues	4,073,247	4,348,224	4,568,657	4,750,230	5,063,140	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	33,866	38,534	31,176	32,733	27,253	7
General Support Expenses	456,437	476,803	460,380	450,234	484,858	8
Central Office Switching	225,965	293,735	315,415	314,484	273,560	9
Operator Systems Expense						10
Central Office Transmission	452,362	403,514	393,537	413,642	436,826	11
Info. Origination/Termination						12
Cable & Wire Facilities	248,701	251,888	311,285	326,912	289,525	13
Total Plant Specific Operations	1,417,331	1,464,474	1,511,793	1,538,005	1,512,022	14
Other Plant, Property & Equipment						15
Network Operations	378,472	292,229	238,728	305,945	237,271	16
Access Expense	92,339	89,805	78,591	74,451	63,261	17
Depreciation and Amortization	437,441	478,609	529,340	516,505	551,547	18
Total Plant Non-Specific Operations	908,252	860,643	846,659	896,901	852,079	19
Marketing Expense	26,275	29,317	25,812	29,460	24,839	20
Services Expense	155,242	162,209	181,814	165,373	284,543	21
Total Customer Operations	181,517	191,526	207,626	194,833	309,382	22
Executive & Planning	233,773	839,451	837,070	801,741	804,857	23
General & Administrative	1,196,318	1,418,586	1,459,998	1,416,647	1,507,239	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,430,091	2,258,037	2,297,068	2,218,388	2,312,096	27
Total Operations Expense	3,937,191	4,774,680	4,863,146	4,848,127	4,985,579	28
Other Operating Income & Expenses	(2)			7	(5)	29
State & Local Income Taxes						30
Other Taxes	144,064	199,226	208,801	225,068	235,312	31
Net Operating Income Before FIT	(8,010)	(625,682)	(503,290)	(322,958)	(157,756)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(24,641)	(111,876)	(115,588)	(38,292)	12,015	34
Provision - Def. Operating Income Taxes - Net	21,462	(116,797)	(72,473)	(76,002)	(77,943)	35
Net Operating Income	(\$4,831)	(\$397,009)	(\$315,229)	(\$208,664)	(\$91,828)	36

1 Restated in 2001

Champlain Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$4,831)	(\$397,009)	(\$315,229)	(\$208,664)	(\$91,828)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	52	75	73	763	645
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(34,947)	(29,588)	(83,232)	122,253	(62,084)
44 Other Non-Operating Income	25,840	25,840	27,640	22,600	18,100
45 Special Charges	36,119	40,676	38,714	29,497	24,241
46 Total Non-Operating Income & Expenses	(45,174)	(44,349)	(94,233)	116,119	(67,580)
NON-OPERATING TAXES					
47 Federal Income Taxes	(3,477)	(5,018)	(3,906)	(2,086)	(1,930)
48 Other					
49 Total Non-Operating Taxes	(3,477)	(5,018)	(3,906)	(2,086)	(1,930)
50 Income Available Before Interest Charges	(46,528)	(436,340)	(405,556)	(90,459)	(157,478)
INTEREST CHARGES					
51 Interest on Funded Debt	22,467	31,352	39,825	48,019	55,672
52 Other Interest Expense	24,686	13,985	2,655	2,547	1,422
53 Total Interest Charges	47,153	45,337	42,480	50,566	57,094
54 Income Before Extraordinary & Nonreg Items	(93,681)	(481,677)	(448,036)	(141,025)	(214,572)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$93,681)	(\$481,677)	(\$448,036)	(\$141,025)	(\$214,572)
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,613,483	\$2,134,387	\$2,568,006	\$2,900,099	\$3,121,402
60 Transferred from Income	(58,734)	(452,089)	(364,804)	(263,278)	(152,488)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock	8,927	8,927	8,927	8,927	8,927
63 Common Stock	29,944	59,888	59,888	59,888	59,888
64 Adjustments	(504,786)				
65 Ending Year Balance	1,011,092	1,613,483	2,134,387	2,568,006	2,900,099
66 Appropriated/Undistr Affiliate Retained Earnings	(87,598)	(52,651)	(23,063)	60,169	(62,084)
67 Total Retained Earnings	\$923,494	\$1,560,832	\$2,111,324	\$2,628,175	\$2,838,015

Chautauqua & Erie Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$600	\$600	\$600	\$4,447	\$5,206
2 Accounts Receivable (Net)	920,836	924,927	753,558	1,518,873	2,206,483
3 Current Deferred Income Taxes	15,148	18,048	12,392	21,551	24,283
4 Other Current Assets	540,360	480,005	458,554	398,013	381,199
5 Total Current Assets	1,476,944	1,423,580	1,225,105	1,942,884	2,617,171
NON-CURRENT ASSETS					
6 Investments	169,119	319,002	373,722	594,017	559,414
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1	233	775	3,678	8,220
11 Other Non-Current Assets					
12 Total Non-Current Assets	169,120	319,235	374,497	597,695	567,634
REGULATED PLANT					
13 Total Telecommunications Plant	31,192,041	31,230,690	30,155,794	30,068,775	30,186,736
14 Less: Accumulated Depr and Amort.	22,259,646	22,073,901	21,550,071	21,065,138	21,355,773
15 Net Regulated Plant	8,932,394	9,156,788	8,605,722	9,003,637	8,830,963
16 Total Assets & Other Debits	\$10,578,458	\$10,899,604	\$10,205,324	\$11,544,216	\$12,015,768
CURRENT LIABILITIES					
17 Accounts Payable	\$1,394,913	\$1,397,119	\$1,207,410	\$1,985,618	\$1,806,703
18 Notes Payable					
19 Advanced Billings	20,211	19,831	55,017	38,064	22,745
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	277,973	62,897	31,947	107,861	45,666
24 Total Current Liabilities	1,693,098	1,479,847	1,294,374	2,131,543	1,875,114
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,785,768	1,865,491	1,884,742	1,993,234	1,835,934
28 Other Deferred Credits					
29 Other Jurisdictional Differences - Net					
30 Other Liabilities				112,263	671,194
31 Total Other Liab. and Def. Credits	1,785,768	1,865,491	1,884,742	2,105,497	2,507,128
STOCKHOLDER'S EQUITY					
32 Common Stock	775,320	775,320	775,320	775,320	775,320
33 Preferred Stock					
34 Other Paid in Capital	3,922,500	3,922,500	3,922,500	3,922,500	3,922,500
35 Retained Earnings	2,401,773	2,856,446	2,328,387	2,609,356	2,935,706
36 Total Stockholder's Equity	7,099,593	7,554,266	7,026,207	7,307,176	7,633,526
37 Total Liab. and Stockholder's Equity	\$10,578,459	\$10,899,604	\$10,205,324	\$11,544,216	\$12,015,768

Chautauqua & Erie Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,323,323	\$1,426,714	\$1,538,194	\$1,579,064	\$1,688,714	1
Network Access Services	3,349,330	3,224,354	3,501,385	4,406,378	4,233,122	2
Long Distance Network Services	30,936	31,146	29,394	27,548	24,825	3
Miscellaneous Revenues	324,275	345,484	384,591	402,446	425,296	4
Less: Uncollectible Revenues	8,788	84,744	20,430	28,114	30,805	5
Total Operating Revenues	5,019,076	4,942,954	5,433,134	6,387,322	6,341,152	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses					(3,739)	7
General Support Expenses	758,739	819,297	886,168	1,284,237	510,716	8
Central Office Switching	348,662	361,627	389,729	360,405	405,279	9
Operator Systems Expense						10
Central Office Transmission	832	596	1,490	441	611	11
Info. Origination/Termination						12
Cable & Wire Facilities	459,024	505,897	490,508	556,364	660,826	13
Total Plant Specific Operations	1,567,256	1,687,417	1,767,895	2,201,447	1,573,693	14
Other Plant, Property & Equipment			(7,464)		16,189	15
Network Operations	416,757	387,002	409,744	360,965	334,600	16
Access Expense	140,221	123,495	181,108	130,210	175,313	17
Depreciation and Amortization	750,394	632,258	970,765	1,434,453	1,895,781	18
Total Plant Non-Specific Operations	1,307,372	1,142,755	1,554,153	1,925,628	2,421,883	19
Marketing Expense	221,698	235,282	249,461	210,933	337,724	20
Services Expense	304,098	340,220	384,763	423,575	487,027	21
Total Customer Operations	525,796	575,502	634,224	634,508	824,751	22
Executive & Planning	156,067	205,685	115,585	92,519	214,718	23
General & Administrative	816,135	987,242	1,046,281	1,033,566	1,294,337	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	972,202	1,192,927	1,161,866	1,126,085	1,509,055	27
Total Operations Expense	4,372,626	4,598,601	5,118,138	5,887,668	6,329,382	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	442,693	448,959	418,613	463,633	549,868	31
Net Operating Income Before FIT	203,757	(104,606)	(103,617)	36,021	(538,098)	32
Investment Tax Credits - Net						33
Federal Income Taxes	130,271	(54,958)	11,047	182,759	108,325	34
Provision - Def. Operating Income Taxes - Net	(76,823)	(24,907)	(99,333)	(211,802)	(730,068)	35
Net Operating Income	\$150,309	(\$24,741)	(\$15,331)	\$65,064	\$83,645	36

Chautauqua & Erie Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$150,309	(\$24,741)	(\$15,331)	\$65,064	\$83,645
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	362,117	336,280	489,705	419,603	
44 Other Non-Operating Income					
45 Special Charges			200	220	100
46 Total Non-Operating Income & Expenses	362,117	336,280	489,505	419,383	(100)
NON-OPERATING TAXES					
47 Federal Income Taxes	27,085	34,378	40,222	415,041	966,097
48 Other					
49 Total Non-Operating Taxes	27,085	34,378	40,222	415,041	966,097
50 Income Available Before Interest Charges	485,341	277,161	433,952	69,406	(882,552)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense				(327)	4,607
53 Total Interest Charges				(327)	4,607
54 Income Before Extraordinary & Nonreg Items	485,341	277,161	433,952	69,733	(887,159)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	(1,014)	(1,103)	(4,921)	1,064,917	1,884,807
57 Total Extraordinary & Nonregulated Items	(1,014)	(1,103)	(4,921)	1,064,917	1,884,807
58 Net Income	\$484,327	\$276,058	\$429,031	\$1,134,650	\$997,648
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$9,337,842	\$9,061,784	\$8,632,753	\$7,917,706	\$5,554,240
60 Transferred from Income	484,327	276,058	429,031	715,047	997,650
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					1,365,816
65 Ending Year Balance	9,822,169	9,337,842	9,061,784	8,632,753	7,917,706
66 Appropriated/Undistr Affiliate Retained Earnings	(7,420,396)	(6,481,396)	(6,733,397)	(6,023,397)	(4,982,000)
67 Total Retained Earnings	\$2,401,773	\$2,856,446	\$2,328,387	\$2,609,356	\$2,935,706

Chazy & Westport Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$80,581	\$514,299	\$61,129	\$78,789	\$79,646
2 Accounts Receivable (Net)	3,758,188	3,212,668	3,753,625	4,189,509	3,591,585
3 Current Deferred Income Taxes					
4 Other Current Assets	409,751	357,545	362,195	326,075	237,686
5 Total Current Assets	4,248,520	4,084,512	4,176,949	4,594,373	3,908,917
NON-CURRENT ASSETS					
6 Investments	(658,733)	(566,345)	(802,042)	(744,313)	(217,922)
7 Unamortized Debt Issuance Costs					16
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	185,510	197,647	190,577	283,170	323,438
11 Other Non-Current Assets	658,155	652,792	624,563	581,450	724,589
12 Total Non-Current Assets	184,932	284,094	13,098	120,307	830,121
REGULATED PLANT					
13 Total Telecommunications Plant	15,010,554	14,804,391	14,922,737	14,816,718	14,796,329
14 Less: Accumulated Depr and Amort.	12,161,552	11,788,509	11,303,711	10,594,616	9,962,878
15 Net Regulated Plant	2,849,002	3,015,882	3,619,026	4,222,102	4,833,451
16 Total Assets & Other Debits	\$7,282,454	\$7,384,488	\$7,809,073	\$8,936,782	\$9,572,489
CURRENT LIABILITIES					
17 Accounts Payable	\$156,089	\$145,930	\$178,915	\$388,121	\$574,709
18 Notes Payable	19,804	96,259	168,740	287,769	322,908
19 Advanced Billings	88,700	73,335	33,176	17,431	14,282
20 Customer Deposits	552	552	959	680	2,055
21 Current Maturities - Long-Term Debt	31,835	30,291	86,176	140,268	133,447
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(52,373)	(158,251)	93,183	327,133	(38,109)
24 Total Current Liabilities	244,607	188,116	561,149	1,161,402	1,009,292
LONG-TERM DEBT					
25 Long-Term Debt	34,315	66,154	96,441	182,621	322,906
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	769,894	787,926	907,275	1,033,362	1,101,569
28 Other Deferred Credits	264,786	322,078	380,119	452,453	632,665
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	268,000	244,000	212,000	412,000	349,000
31 Total Other Liab. and Def. Credits	1,302,680	1,354,004	1,499,394	1,897,815	2,083,234
STOCKHOLDER'S EQUITY					
32 Common Stock	62,100	62,100	62,100	62,100	62,100
33 Preferred Stock	130,000	130,000	130,000	130,000	130,000
34 Other Paid in Capital			691	994	9,834
35 Retained Earnings	5,508,752	5,584,114	5,459,298	5,501,850	5,955,123
36 Total Stockholder's Equity	5,700,852	5,776,214	5,652,089	5,694,944	6,157,057
37 Total Liab. and Stockholder's Equity	\$7,282,454	\$7,384,488	\$7,809,073	\$8,936,782	\$9,572,489

Chazy & Westport Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$847,605	\$833,594	\$834,269	\$908,165	\$808,304	1
Network Access Services	1,258,122	1,410,956	1,371,923	1,353,941	1,495,528	2
Long Distance Network Services	5,008	4,571	3,255	39,275	42,420	3
Miscellaneous Revenues	256,835	228,022	212,155	308,532	527,103	4
Less: Uncollectible Revenues	5,300	(668)	4,181	5,748	4,150	5
Total Operating Revenues	2,362,270	2,477,811	2,417,421	2,604,165	2,869,205	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	12,071	13,313	9,578	7,827	9,226	7
General Support Expenses	86,653	82,496	98,689	96,213	93,461	8
Central Office Switching	160,332	153,870	168,581	203,822	206,718	9
Operator Systems Expense						10
Central Office Transmission	(1,263)	3,634	13,905	8,210	1,802	11
Info. Origination/Termination						12
Cable & Wire Facilities	230,404	228,144	191,071	254,760	258,441	13
Total Plant Specific Operations	488,197	481,457	481,824	570,832	569,648	14
Other Plant, Property & Equipment						15
Network Operations	144,119	146,836	150,887	127,657	92,917	16
Access Expense	60,840	60,154	54,002	56,147	58,926	17
Depreciation and Amortization	361,140	744,483	724,483	664,108	662,117	18
Total Plant Non-Specific Operations	566,099	951,473	929,372	847,912	813,960	19
Marketing Expense	29,826	30,438	24,044	34,461	55,402	20
Services Expense	244,023	259,768	231,596	223,544	231,083	21
Total Customer Operations	273,849	290,206	255,640	258,005	286,485	22
Executive & Planning	357,889	358,746	311,752	299,446	321,995	23
General & Administrative	528,628	482,101	261,718	512,780	493,569	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	886,517	840,847	573,470	812,226	815,564	27
Total Operations Expense	2,214,662	2,563,983	2,240,306	2,488,975	2,485,657	28
Other Operating Income & Expenses	38		110	172	787	29
State & Local Income Taxes						30
Other Taxes	103,256	122,236	130,466	141,410	152,487	31
Net Operating Income Before FIT	44,390	(208,408)	46,759	(26,048)	231,848	32
Investment Tax Credits - Net						33
Federal Income Taxes	30,425	56,963	53,734	18,303	(47,527)	34
Provision - Def. Operating Income Taxes - Net	(5,895)	(126,063)	(33,312)	(23,411)	116,913	35
Net Operating Income	\$19,860	(\$139,308)	\$26,337	(\$20,940)	\$162,462	36

Chazy & Westport Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$19,860	(\$139,308)	\$26,337	(\$20,940)	\$162,462
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income				481	1,261
39 Interest Income	3,015	3,024	3,015	3,954	884
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(92,388)	236,744	(57,193)	(410,448)	(472,409)
44 Other Non-Operating Income	(2,584)	4,417	4,628	17,032	(11,451)
45 Special Charges	3,345	(25,732)	3,613	3,261	42,289
46 Total Non-Operating Income & Expenses	(95,302)	269,917	(53,163)	(392,242)	(524,004)
NON-OPERATING TAXES					
47 Federal Income Taxes	(2,135)	891	669	5,270	(8,639)
48 Other					
49 Total Non-Operating Taxes	(2,135)	891	669	5,270	(8,639)
50 Income Available Before Interest Charges	(73,307)	129,718	(27,495)	(418,452)	(352,903)
INTEREST CHARGES					
51 Interest on Funded Debt	4,127	6,460	12,827	19,864	26,761
52 Other Interest Expense	(8,572)	(8,058)	(4,270)	8,457	20,697
53 Total Interest Charges	(4,445)	(1,598)	8,557	28,321	47,458
54 Income Before Extraordinary & Nonreg Items	(68,862)	131,316	(36,052)	(446,773)	(400,361)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$68,862)	\$131,316	(\$36,052)	(\$446,773)	(\$400,361)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$6,609,458	\$6,721,386	\$6,706,745	\$6,749,570	\$6,684,022
60 Transferred from Income	23,526	(105,428)	21,141	(36,325)	72,048
61 Appropriations					
Dividends Declared:					
62 Preferred Stock	6,500	6,500	6,500	6,500	6,500
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	6,626,484	6,609,458	6,721,386	6,706,745	6,749,570
66 Appropriated/Undistr Affiliate Retained Earnings	(1,117,732)	(1,025,344)	(1,262,088)	(1,204,895)	(794,447)
67 Total Retained Earnings	\$5,508,752	\$5,584,114	\$5,459,298	\$5,501,850	\$5,955,123

Citizens Telephone Company of Hammond, N. Y., Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$23,595	\$41,470	\$54,660	\$113,496	\$168,716
2 Accounts Receivable (Net)	1,389,583	1,398,398	1,242,785	1,122,839	1,431,543
3 Current Deferred Income Taxes					
4 Other Current Assets	205,452	211,962	159,036	180,376	178,985
5 Total Current Assets	1,618,631	1,651,830	1,456,481	1,416,711	1,779,244
NON-CURRENT ASSETS					
6 Investments	6,576,552	6,360,764	5,795,260	5,706,852	5,280,425
7 Unamortized Debt Issuance Costs	43,049	47,756	52,563	57,371	62,178
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1,571,099	1,485,031	1,353,212	1,274,531	1,227,805
11 Other Non-Current Assets					
12 Total Non-Current Assets	8,190,700	7,893,551	7,201,035	7,038,754	6,570,408
REGULATED PLANT					
13 Total Telecommunications Plant	9,449,151	9,364,978	9,425,992	9,306,939	8,907,927
14 Less: Accumulated Depr and Amort.	6,408,462	6,023,550	5,667,980	5,308,379	4,813,494
15 Net Regulated Plant	3,040,689	3,341,428	3,758,012	3,998,560	4,094,433
16 Total Assets & Other Debits	\$12,850,020	\$12,886,808	\$12,415,527	\$12,454,024	\$12,444,085
CURRENT LIABILITIES					
17 Accounts Payable	\$238,138	\$136,158	\$92,755	\$99,532	\$138,213
18 Notes Payable	709,436	486,544	222,038	18,213	124,209
19 Advanced Billings				678	17,555
20 Customer Deposits	2,474	2,659	2,917	3,435	3,610
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(581,093)	(337,318)	(296,537)	(175,947)	(238,353)
24 Total Current Liabilities	368,955	288,044	21,173	(54,089)	45,233
LONG-TERM DEBT					
25 Long-Term Debt	2,475,716	2,716,140	2,954,338	3,182,227	3,399,939
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	608,393	659,853	424,586	412,835	408,160
28 Other Deferred Credits	1,222,226	1,229,823	1,242,491	1,249,755	1,261,177
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	1,794,805	1,703,319	2,411,375	2,299,555	2,092,480
31 Total Other Liab. and Def. Credits	3,625,423	3,592,995	4,078,452	3,962,145	3,761,817
STOCKHOLDER'S EQUITY					
32 Common Stock	42,000	42,000	42,000	42,000	42,000
33 Preferred Stock	23,000	23,000	23,000	23,000	23,000
34 Other Paid in Capital	399,177	425,531	(195,227)	(213,662)	(213,409)
35 Retained Earnings	5,915,749	5,799,098	5,491,790	5,512,403	5,385,505
36 Total Stockholder's Equity	6,379,927	6,289,629	5,361,563	5,363,741	5,237,096
37 Total Liab. and Stockholder's Equity	\$12,850,020	\$12,886,808	\$12,415,527	\$12,454,024	\$12,444,085

Citizens Telephone Company Of Hammond, N. Y., Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$212,577	\$211,633	\$205,476	\$228,957	\$238,376	1
Network Access Services	1,239,610	1,361,971	1,335,887	1,513,418	1,731,528	2
Long Distance Network Services						3
Miscellaneous Revenues	74,358	82,114	83,005	98,080	135,773	4
Less: Uncollectible Revenues	506	17,914			17,655	5
Total Operating Revenues	1,526,039	1,637,803	1,624,368	1,840,455	2,088,021	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	2,908	2,000	1,054	581	1,484	7
General Support Expenses	165,598	170,818	163,506	149,561	140,093	8
Central Office Switching	72,654	138,869	125,740	119,702	117,926	9
Operator Systems Expense						10
Central Office Transmission	163,812	93,341	83,042	94,055	102,581	11
Info. Origination/Termination	16,874	26,814	16,738	4,850	31,106	12
Cable & Wire Facilities	92,471	57,921	101,328	86,966	81,135	13
Total Plant Specific Operations	514,316	489,764	491,408	455,715	474,324	14
Other Plant, Property & Equipment						15
Network Operations	77,864	89,548	108,658	100,921	121,952	16
Access Expense	21,079	42,038	53,850	56,372	42,833	17
Depreciation and Amortization	334,806	354,232	408,809	451,396	454,800	18
Total Plant Non-Specific Operations	433,749	485,818	571,317	608,689	619,585	19
Marketing Expense	3,656	4,175	4,796	12,792	38,734	20
Services Expense	110,107	150,358	136,261	177,591	164,662	21
Total Customer Operations	113,763	154,534	141,057	190,383	203,396	22
Executive & Planning	150,990	180,807	142,336	180,361	322,389	23
General & Administrative	281,830	328,624	386,475	424,251	529,983	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	432,821	509,431	528,811	604,611	852,372	27
Total Operations Expense	1,494,648	1,639,547	1,732,593	1,859,398	2,149,678	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	86,498	80,650	95,954	154,190	124,650	31
Net Operating Income Before FIT	(55,106)	(82,394)	(204,179)	(173,133)	(186,306)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(21,400)	56,275	(66,210)	(28,277)	(23,696)	34
Provision - Def. Operating Income Taxes - Net	(133,871)	(163,423)	(83,422)	(53,915)	(110,334)	35
Net Operating Income	\$100,165	\$24,754	(\$54,547)	(\$90,941)	(\$52,277)	36

Citizens Telephone Company Of Hammond, N. Y., Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$100,165	\$24,754	(\$54,547)	(\$90,941)	(\$52,277)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	1,300	1,300	1,250	1,262	1,334
39 Interest Income	12,570	10,011	4,038	11,824	17,588
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	168,848	317,992	213,647	372,462	377,303
44 Other Non-Operating Income	23,136	62,705	29,417	42,890	31,544
45 Special Charges	16,289	19,376	22,142	21,172	24,112
46 Total Non-Operating Income & Expenses	189,565	372,631	226,210	407,267	403,657
NON-OPERATING TAXES					
47 Federal Income Taxes	10,134	12,020	11,063	11,864	7,635
48 Other					
49 Total Non-Operating Taxes	10,134	12,020	11,063	11,864	7,635
50 Income Available Before Interest Charges	279,596	385,365	160,600	304,462	343,745
INTEREST CHARGES					
51 Interest on Funded Debt	117,363	126,409	137,004	147,461	153,643
52 Other Interest Expense	45,583	35,602	24,789	30,102	30,528
53 Total Interest Charges	162,945	162,011	161,793	177,564	184,171
54 Income Before Extraordinary & Nonreg Items	116,651	223,354	(1,193)	126,898	159,574
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$116,651	\$223,354	(\$1,193)	\$126,898	\$159,574
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$2,174,363	\$2,225,983	\$2,461,780	\$2,707,343	\$2,931,385
60 Transferred from Income	(52,197)	(94,638)	(214,839)	(245,564)	(217,728)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments		43,018	(20,958)		(6,314)
65 Ending Year Balance	2,122,166	2,174,363	2,225,983	2,461,780	2,707,343
66 Appropriated/Undistr Affiliate Retained Earnings	3,793,582	3,624,735	3,265,807	3,050,623	2,678,162
67 Total Retained Earnings	\$5,915,748	\$5,799,098	\$5,491,790	\$5,512,403	\$5,385,505

Citizens Telecommunications Co. of New York, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$120		\$1,050	(\$43,783)	(\$340,535)
2 Accounts Receivable (Net)	37,564,203	\$55,116,889	71,173,567	45,784,963	48,208,798
3 Current Deferred Income Taxes					
4 Other Current Assets	250,865	290,975	244,460	189,809	206,468
5 Total Current Assets	37,815,188	55,407,864	71,419,078	45,930,988	48,074,730
NON-CURRENT ASSETS					
6 Investments	(260,386,806)	(209,894,403)	(371,933,297)	(191,013,924)	(9,485,289)
7 Unamortized Debt Issuance Costs					
8 Deferred Charges		(273)	(273)	(273)	(273)
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	(260,386,806)	(209,894,676)	(371,933,570)	(191,014,197)	(9,485,561)
REGULATED PLANT					
13 Total Telecommunications Plant	1,186,512,867	1,175,547,391	1,164,741,548	1,149,821,862	1,130,417,135
14 Less: Accumulated Depr and Amort.	974,815,991	933,894,208	894,580,853	852,975,688	811,820,320
15 Net Regulated Plant	211,696,876	241,653,183	270,160,696	296,846,174	318,596,815
16 Total Assets & Other Debits	(\$10,874,743)	\$87,166,371	(\$30,353,796)	\$151,762,966	\$357,185,984
CURRENT LIABILITIES					
17 Accounts Payable	\$30,759,088	\$142,955,687	\$56,822,290	26,095,176	\$24,568,387
18 Notes Payable					
19 Advanced Billings	5,105,396	5,322,130	5,538,030	5,719,758	5,685,693
20 Customer Deposits	152	130	(109)	537	1,326
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	4,727,444	2,867,193	3,854,026	3,387,986	2,618,047
24 Total Current Liabilities	40,592,080	151,145,140	66,214,237	35,203,457	32,873,453
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	91,284,213	96,124,639	92,076,931	88,029,223	83,981,515
28 Other Deferred Credits	11,892,188	13,058,280	13,230,947	12,947,091	12,138,498
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	103,176,401	109,182,919	105,307,878	100,976,314	96,120,014
STOCKHOLDER'S EQUITY					
32 Common Stock	1,000	1,000	1,000	1,000	1,000
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	(154,644,223)	(173,162,689)	(201,876,912)	15,582,195	228,191,518
36 Total Stockholder's Equity	(154,643,223)	(173,161,689)	(201,875,912)	15,583,195	228,192,518
37 Total Liab. and Stockholder's Equity	(\$10,874,743)	\$87,166,371	(\$30,353,796)	\$151,762,966	\$357,185,984

Citizens Telecommunications Co. of New York, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$54,489,084	\$57,629,255	\$61,084,483	\$65,157,082	\$70,604,566	1
Network Access Services	68,592,655	80,211,686	86,324,491	87,642,700	98,342,953	2
Long Distance Network Services	(23)	(357)	(78)	(279)	(1,225)	3
Miscellaneous Revenues	49,429,436	48,951,117	51,360,974	55,223,661	55,310,576	4
Less: Uncollectible Revenues	2,154,829	2,668,706	3,449,669	2,844,290	4,015,728	5
Total Operating Revenues	170,356,323	184,122,994	195,320,201	205,178,874	220,241,142	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	2,466,168	(91,695)	1,531	246,869	274	7
General Support Expenses	7,463,493	7,502,709	10,428,168	9,180,239	9,293,831	8
Central Office Switching	5,136,528	4,941,001	5,133,304	4,808,606	5,340,714	9
Operator Systems Expense	10,340	15,304	117,415	137,974	104,852	10
Central Office Transmission	1,571,439	2,007,564	1,978,114	1,894,671	1,551,583	11
Info. Origination/Termination	5,784,113	6,513,595	7,405,576	6,874,290	7,586,948	12
Cable & Wire Facilities	13,352,615	14,804,431	14,951,112	13,763,790	13,493,068	13
Total Plant Specific Operations	35,784,697	35,692,910	40,015,220	36,906,438	37,371,272	14
Other Plant, Property & Equipment	27,045	(14,287)	(495)	81	2,952	15
Network Operations	14,478,822	13,969,677	10,338,009	12,965,097	11,937,482	16
Access Expense	3,615,980	3,825,424	3,623,756	3,410,336	2,925,071	17
Depreciation and Amortization	41,461,059	41,477,939	40,400,175	39,334,183	38,865,922	18
Total Plant Non-Specific Operations	59,582,907	59,258,753	54,361,445	55,709,696	53,731,427	19
Marketing Expense	5,502,451	6,554,963	6,074,314	6,370,452	5,890,245	20
Services Expense	11,868,496	11,038,036	12,710,996	10,422,336	9,611,905	21
Total Customer Operations	17,370,947	17,593,000	18,785,310	16,792,788	15,502,150	22
Executive & Planning	1,414,002	1,627,348	2,341,184	3,947,146	2,188,101	23
General & Administrative	11,978,811	10,258,817	16,293,656	19,322,816	12,411,503	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	13,392,813	11,886,165	18,634,840	23,269,961	14,599,604	27
Total Operations Expense	126,131,363	124,430,827	131,796,815	132,678,883	121,204,454	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	9,260,618	10,101,050	9,127,361	10,569,920	12,843,386	31
Net Operating Income Before FIT	34,964,342	49,591,117	54,396,025	61,930,071	86,193,302	32
Investment Tax Credits - Net						33
Federal Income Taxes	7,496,825	12,617,006	14,659,819	16,146,331	16,110,067	34
Provision - Def. Operating Income Taxes - Net	(4,840,427)	(4,242,699)	(4,414,465)	(4,432,530)	5,017,032	35
Net Operating Income	\$32,307,943	\$41,216,810	\$44,150,671	\$50,216,270	\$65,066,203	36

Citizens Telecommunications Co. of New York, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$32,307,943	\$41,216,810	\$44,150,671	\$50,216,270	\$65,066,203
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	22,079	2,220	209,405	222,854	277,840
42 Gains/Losses - Disposal of Property		(609)			
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	(5,849,773)	(5,849,773)	(5,849,773)	(5,849,773)	(5,849,773)
45 Special Charges	2,032	9,514	297	116,904	45,944
46 Total Non-Operating Income & Expenses	(5,829,727)	(5,857,676)	(5,640,665)	(5,743,823)	(5,617,877)
NON-OPERATING TAXES					
47 Federal Income Taxes	7,957,901	6,644,595	5,969,021	7,081,653	7,791,409
48 Other					
49 Total Non-Operating Taxes	7,957,901	6,644,595	5,969,021	7,081,653	7,791,409
50 Income Available Before Interest Charges	18,520,316	28,714,539	32,540,985	37,390,794	51,656,917
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	1,850	315	87	115	49
53 Total Interest Charges	1,850	315	87	115	49
54 Income Before Extraordinary & Nonreg Items	18,518,465	28,714,224	32,540,898	37,390,679	51,656,868
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	27,374,632	25,664,527	25,122,986	28,228,259	25,829,921
57 Total Extraordinary & Nonregulated Items	27,374,632	25,664,527	25,122,986	28,228,259	25,829,921
58 Net Income	\$45,893,097	\$54,378,751	\$57,663,884	\$65,618,938	\$77,486,789

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$173,162,688)	(\$201,876,912)	\$15,582,198	\$228,191,518	\$316,534,650
60 Transferred from Income	18,518,465	28,714,224	32,540,890	37,390,680	51,656,868
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock			250,000,000	250,000,000	140,000,000
64 Adjustments					
65 Ending Year Balance	(154,644,223)	(173,162,688)	(201,876,912)	15,582,198	228,191,518
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	(\$154,644,223)	(\$173,162,688)	(\$201,876,912)	\$15,582,198	\$228,191,518

Crown Point Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$60,356	\$83,899	\$223,992	\$102,638	\$98,230
2 Accounts Receivable (Net)	201,838	226,528	294,678	271,542	243,661
3 Current Deferred Income Taxes					
4 Other Current Assets	156,219	161,473	166,547	172,828	190,364
5 Total Current Assets	418,413	471,900	685,218	547,008	532,256
NON-CURRENT ASSETS					
6 Investments	505,891	380,031	226,273	178,795	153,052
7 Unamortized Debt Issuance Costs	1,650	1,906	2,163	2,599	3,034
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	238,108	454,917	482,430	537,260	579,580
11 Other Non-Current Assets					
12 Total Non-Current Assets	745,649	836,854	710,866	718,653	735,666
REGULATED PLANT					
13 Total Telecommunications Plant	7,119,981	7,109,341	7,109,595	7,075,526	7,052,722
14 Less: Accumulated Depr and Amort.	5,398,046	5,092,298	4,790,957	4,484,663	4,193,212
15 Net Regulated Plant	1,721,935	2,017,042	2,318,638	2,590,863	2,859,510
16 Total Assets & Other Debits	\$2,885,997	\$3,325,796	\$3,714,722	\$3,856,525	\$4,127,431
CURRENT LIABILITIES					
17 Accounts Payable	\$258,275	\$73,194	\$356,646	\$354,071	\$325,706
18 Notes Payable		6,926	8,679	10,495	11,036
19 Advanced Billings			4,400	4,400	4,400
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	280,494	226,824	150,458	74,070	3,095
24 Total Current Liabilities	538,769	306,944	520,183	443,035	344,236
LONG-TERM DEBT					
25 Long-Term Debt	2,557,569	2,722,420	2,878,967	3,069,017	3,226,266
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	260,483	318,682	393,119	445,588	480,057
28 Other Deferred Credits					
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	260,483	318,682	393,119	445,588	480,057
STOCKHOLDER'S EQUITY					
32 Common Stock	24,300	24,300	24,300	24,300	24,300
33 Preferred Stock					
34 Other Paid in Capital	68,940	45,479	42,009	38,594	29,158
35 Retained Earnings	(564,065)	(92,029)	(143,857)	(164,011)	23,414
36 Total Stockholder's Equity	(470,825)	(22,250)	(77,548)	(101,117)	76,872
37 Total Liab. and Stockholder's Equity	\$2,885,997	\$3,325,796	\$3,714,720	\$3,856,523	\$4,127,431

Crown Point Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$277,380	\$276,770	\$280,224	\$262,754	\$262,493	1
Network Access Services	728,505	918,841	973,621	979,498	914,400	2
Long Distance Network Services	236,064	236,064	236,064	236,063	160,140	3
Miscellaneous Revenues	81,215	66,181	109,886	60,959	85,437	4
Less: Uncollectible Revenues	17,435	4,500	18,500	3,000	6,600	5
Total Operating Revenues	1,305,729	1,493,357	1,581,295	1,536,275	1,415,870	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	883	(1,437)	1,509	2,018	3,365	7
General Support Expenses	55,064	51,556	49,814	45,001	55,631	8
Central Office Switching	67,273	90,213	84,853	104,322	116,631	9
Operator Systems Expense						10
Central Office Transmission	38,459	69,248	64,010	84,770	63,393	11
Info. Origination/Termination	15,376	24,015	16,962	15,513	11,307	12
Cable & Wire Facilities	261,256	228,450	207,928	209,868	176,179	13
Total Plant Specific Operations	438,309	462,045	425,076	461,493	426,507	14
Other Plant, Property & Equipment						15
Network Operations	94,697	28,401	31,800	78,190	61,246	16
Access Expense	29,022	23,630	22,084	30,083	29,099	17
Depreciation and Amortization	305,748	302,950	301,905	299,899	291,226	18
Total Plant Non-Specific Operations	429,466	354,981	355,789	408,172	381,571	19
Marketing Expense	34,934	8,951	4,248	8,546	9,737	20
Services Expense	182,564	167,528	136,507	139,205	201,837	21
Total Customer Operations	217,498	176,479	140,755	147,751	211,574	22
Executive & Planning	223,198	198,183	197,941	232,096	190,481	23
General & Administrative	229,078	232,276	261,743	242,936	283,329	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	452,276	430,459	459,684	475,032	473,810	27
Total Operations Expense	1,537,550	1,423,964	1,381,304	1,492,447	1,493,462	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	52,014	49,425	62,515	69,237	72,289	31
Net Operating Income Before FIT	(283,835)	19,968	137,476	(25,409)	(149,881)	32
Investment Tax Credits - Net						33
Federal Income Taxes	21,182					34
Provision - Def. Operating Income Taxes - Net	146,523	(42,863)	2,578	3,006	(71,421)	35
Net Operating Income	(\$409,176)	\$62,831	\$134,898	(\$28,415)	(\$78,460)	36

Crown Point Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$409,176)	\$62,831	\$134,898	(\$28,415)	(\$78,460)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	650		4,664	5,088	
39 Interest Income	2			11	
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	90,311	148,500	42,305	11,446	(41,555)
44 Other Non-Operating Income	174		3,619		29
45 Special Charges	14,286	17,206	10,473	9,603	(70,071)
46 Total Non-Operating Income & Expenses	76,851	131,294	40,115	6,942	28,545
NON-OPERATING TAXES					
47 Federal Income Taxes		(5,849)	(1,975)	(16)	(5,113)
48 Other					
49 Total Non-Operating Taxes		(5,849)	(1,975)	(16)	(5,113)
50 Income Available Before Interest Charges	(332,325)	199,974	176,988	(21,457)	(44,802)
INTEREST CHARGES					
51 Interest on Funded Debt	137,939	146,085	154,653	162,741	171,467
52 Other Interest Expense	1,771	2,063	2,181	3,227	3,058
53 Total Interest Charges	139,710	148,148	156,834	165,968	174,525
54 Income Before Extraordinary & Nonreg Items	(472,036)	51,829	20,154	(187,425)	(219,326)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$472,036)	\$51,829	\$20,154	(\$187,425)	(\$219,326)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$3,810,112	\$3,906,784	\$3,928,935	\$4,127,806	\$4,305,577
60 Transferred from Income	(562,347)	(96,671)	(22,151)	(198,871)	(177,771)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	3,247,766	3,810,112	3,906,784	3,928,935	4,127,806
66 Appropriated/Undistr Affiliate Retained Earnings	(3,811,830)	(3,902,141)	(4,050,641)	(4,092,946)	(4,104,392)
67 Total Retained Earnings	(\$564,064)	(\$92,029)	(\$143,857)	(\$164,011)	\$23,414

Delhi Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,750,322	\$1,561,100	\$912,246	\$960,142	\$2,609,211
2 Accounts Receivable (Net)	1,327,247	1,313,655	1,707,142	1,278,360	1,560,652
3 Current Deferred Income Taxes	8,169	7,545	6,864	6,078	5,252
4 Other Current Assets	290,477	293,134	310,608	380,987	257,979
5 Total Current Assets	3,376,215	3,175,434	2,936,859	2,625,567	4,433,094
NON-CURRENT ASSETS					
6 Investments	591,001	647,303	612,606	699,668	632,665
7 Unamortized Debt Issuance Costs			246	984	1,722
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	792,102	929,658	1,067,314	1,103,999	791,252
11 Other Non-Current Assets	410,487	385,127	359,511	335,257	311,883
12 Total Non-Current Assets	1,793,590	1,962,088	2,039,677	2,139,908	1,737,522
REGULATED PLANT					
13 Total Telecommunications Plant	18,968,566	18,329,611	17,969,891	17,729,715	16,315,770
14 Less: Accumulated Depr and Amort.	11,270,616	10,409,129	9,629,730	8,996,691	8,833,557
15 Net Regulated Plant	7,697,950	7,920,482	8,340,161	8,733,024	7,482,213
16 Total Assets & Other Debits	\$12,867,755	\$13,058,004	\$13,316,698	\$13,498,500	\$13,652,829
CURRENT LIABILITIES					
17 Accounts Payable	\$120,810	\$154,425	\$108,691	\$146,086	\$367,624
18 Notes Payable					
19 Advanced Billings					
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	275,640	227,203	264,288	168,328	192,312
24 Total Current Liabilities	396,450	381,628	372,979	314,414	559,936
LONG-TERM DEBT					
25 Long-Term Debt	38,502	45,666	111,849	315,529	504,479
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,480,388	1,561,665	1,630,991	1,550,511	1,142,937
28 Other Deferred Credits	851,535	1,032,510	1,185,324	1,338,328	1,491,675
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	813,171	805,275	809,698	802,403	792,106
31 Total Other Liab. and Def. Credits	3,145,094	3,399,450	3,626,013	3,691,242	3,426,718
STOCKHOLDER'S EQUITY					
32 Common Stock	110,000	110,000	110,000	110,000	110,000
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	9,177,709	9,121,260	9,095,856	9,067,315	9,051,696
36 Total Stockholder's Equity	9,287,709	9,231,260	9,205,856	9,177,315	9,161,696
37 Total Liab. and Stockholder's Equity	\$12,867,755	\$13,058,004	\$13,316,697	\$13,498,500	\$13,652,829

Delhi Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$782,598	\$773,920	\$790,168	\$869,519	\$821,714	1
Network Access Services	2,562,630	2,630,272	2,817,384	2,427,266	2,538,140	2
Long Distance Network Services	1,146	1,546	2,142	2,338	2,402	3
Miscellaneous Revenues	232,725	233,874	263,691	279,347	302,552	4
Less: Uncollectible Revenues	2,505	3,770	2,599	4,999	4,802	5
Total Operating Revenues	3,576,595	3,635,841	3,870,786	3,573,471	3,660,006	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses			(2,586)	1,570	3,094	7
General Support Expenses	125,004	127,886	144,737	166,962	164,704	8
Central Office Switching	120,815	125,266	147,117	142,490	163,450	9
Operator Systems Expense						10
Central Office Transmission	108,219	150,339	131,023	82,015	63,127	11
Info. Origination/Termination	16,399	17,175	18,301	28,332	13,937	12
Cable & Wire Facilities	256,789	250,251	260,788	233,542	231,422	13
Total Plant Specific Operations	627,226	670,916	699,380	654,912	639,735	14
Other Plant, Property & Equipment	1,284	88	68	16,655	47,391	15
Network Operations	532,252	540,342	527,329	523,878	453,592	16
Access Expense	100,248	97,870	99,110	67,696	66,457	17
Depreciation and Amortization	885,946	839,021	839,283	791,281	641,075	18
Total Plant Non-Specific Operations	1,519,729	1,477,321	1,465,790	1,399,510	1,208,515	19
Marketing Expense	30,940	25,129	27,791	34,044	26,562	20
Services Expense	329,038	372,023	396,296	427,100	431,357	21
Total Customer Operations	359,978	397,151	424,087	461,144	457,918	22
Executive & Planning	231,987	239,918	241,978	216,519	167,894	23
General & Administrative	422,729	444,634	452,663	466,767	414,720	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	654,716	684,551	694,641	683,285	582,614	27
Total Operations Expense	3,161,649	3,229,940	3,283,898	3,198,852	2,888,782	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	219,533	249,718	244,549	217,647	207,138	31
Net Operating Income Before FIT	195,413	156,182	342,339	156,972	564,086	32
Investment Tax Credits - Net						33
Federal Income Taxes	29,510		1,485	(5,036)	(17,389)	34
Provision - Def. Operating Income Taxes - Net	11,241	53,290	101,803	77,570	219,278	35
Net Operating Income	\$154,662	\$102,892	\$239,051	\$84,437	\$362,197	36

Delhi Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$154,662	\$102,892	\$239,051	\$84,437	\$362,197
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	5,840	3,811	1,676	3,081	11,001
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(56,302)	34,697	(87,062)	67,004	9,897
44 Other Non-Operating Income				129	
45 Special Charges	(3,083)	4,318	2,511	1,625	4,760
46 Total Non-Operating Income & Expenses	(47,378)	34,190	(87,897)	68,589	16,138
NON-OPERATING TAXES					
47 Federal Income Taxes	14,722	16,108	14,789	15,221	703
48 Other					
49 Total Non-Operating Taxes	14,722	16,108	14,789	15,221	703
50 Income Available Before Interest Charges	92,562	120,974	136,365	137,806	377,632
INTEREST CHARGES					
51 Interest on Funded Debt	3,774	4,104	16,351	31,174	44,709
52 Other Interest Expense	(46,862)	(47,134)	(47,128)	(47,587)	(26,217)
53 Total Interest Charges	(43,088)	(43,030)	(30,777)	(16,413)	18,492
54 Income Before Extraordinary & Nonreg Items	135,649	164,004	167,142	154,219	359,140
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$135,649	\$164,004	\$167,142	\$154,219	\$359,140
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$11,013,904	\$11,023,198	\$10,907,595	\$10,958,979	\$10,748,336
60 Transferred from Income	191,949	129,306	254,203	87,215	349,243
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	79,200	138,600	138,600	138,600	138,600
64 Adjustments					
65 Ending Year Balance	11,126,653	11,013,904	11,023,198	10,907,595	10,958,979
66 Appropriated/Undistr Affiliate Retained Earnings	(1,948,945)	(1,892,643)	(1,927,340)	(1,840,278)	(1,907,283)
67 Total Retained Earnings	\$9,177,709	\$9,121,261	\$9,095,858	\$9,067,315	\$9,051,696

Deposit Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$2,417,577	\$1,588,800	\$2,723,499	\$1,732,959	\$1,908,693
2 Accounts Receivable (Net)	1,237,035	1,949,545	1,093,726	1,103,992	1,287,736
3 Current Deferred Income Taxes					
4 Other Current Assets	102,412	93,672	95,518	99,383	169,816
5 Total Current Assets	3,757,024	3,632,017	3,912,743	2,936,334	3,366,245
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	100	100	100	100	100
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	100	100	100	100	100
REGULATED PLANT					
13 Total Telecommunications Plant	23,941,956	23,378,420	22,686,779	23,605,651	23,745,094
14 Less: Accumulated Depr and Amort.	16,881,206	16,194,160	15,670,568	16,131,593	16,334,925
15 Net Regulated Plant	7,060,750	7,184,260	7,016,211	7,474,058	7,410,168
16 Total Assets & Other Debits	\$10,817,874	\$10,816,377	\$10,929,054	\$10,410,492	\$10,776,514
CURRENT LIABILITIES					
17 Accounts Payable	\$865,588	\$830,800	\$670,637	\$701,282	\$789,437
18 Notes Payable					
19 Advanced Billings	227,014	217,238	211,837	209,718	228,497
20 Customer Deposits					
21 Current Maturities - Long-Term Debt			262	6,072	14,846
22 Current Deferred Income Taxes	(17,774)	(13,015)	(18,917)	(12,082)	(30,422)
23 Other Current Liabilities	445,479	223,635	458,566	145,532	221,760
24 Total Current Liabilities	1,520,307	1,258,658	1,322,385	1,050,522	1,224,118
LONG-TERM DEBT					
25 Long-Term Debt				262	6,334
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,505,828	1,555,932	1,491,536	1,524,469	1,414,311
28 Other Deferred Credits	103,264	215,786	328,370	440,954	553,538
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	(11,497)	63,851	46,019	(16,412)	(20,391)
31 Total Other Liab. and Def. Credits	1,597,595	1,835,569	1,865,925	1,949,011	1,947,458
STOCKHOLDER'S EQUITY					
32 Common Stock	322,250	322,250	322,250	322,250	322,250
33 Preferred Stock					
34 Other Paid in Capital	566,950	522,340	544,711	578,183	579,159
35 Retained Earnings	6,810,772	6,877,560	6,873,783	6,510,264	6,697,195
36 Total Stockholder's Equity	7,699,972	7,722,150	7,740,744	7,410,697	7,598,604
37 Total Liab. and Stockholder's Equity	\$10,817,874	\$10,816,377	\$10,929,054	\$10,410,492	\$10,776,514

Deposit Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,465,221	\$1,470,108	\$1,601,559	\$1,693,248	\$1,812,188	1
Network Access Services	2,559,682	2,428,784	2,388,274	2,180,745	2,721,622	2
Long Distance Network Services	1	8	97	60	(31)	3
Miscellaneous Revenues	1,829,812	1,805,828	1,724,439	1,662,878	1,522,422	4
Less: Uncollectible Revenues	23,291	6,773	45,060	35,235	59,953	5
Total Operating Revenues	5,831,425	5,697,955	5,669,309	5,501,696	5,996,248	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	11,264	13,376	11,853	12,249	27,958	7
General Support Expenses	309,346	295,594	296,273	303,678	263,894	8
Central Office Switching	167,047	78,625	122,830	146,809	164,018	9
Operator Systems Expense						10
Central Office Transmission	453,406	403,041	391,649	278,574	335,946	11
Info. Origination/Termination	267,132	276,086	439,094	437,409	327,525	12
Cable & Wire Facilities	731,587	634,039	734,799	610,748	499,072	13
Total Plant Specific Operations	1,939,782	1,700,761	1,996,498	1,789,467	1,618,413	14
Other Plant, Property & Equipment						15
Network Operations	727,519	719,608	561,754	555,926	721,275	16
Access Expense	89,892	129,011	118,831	176,874	166,842	17
Depreciation and Amortization	984,528	907,964	938,015	756,914	1,044,456	18
Total Plant Non-Specific Operations	1,801,939	1,756,583	1,618,600	1,489,714	1,932,573	19
Marketing Expense	372,370	426,503	365,362	360,065	372,459	20
Services Expense	313,494	314,174	299,562	335,555	475,083	21
Total Customer Operations	685,864	740,677	664,924	695,620	847,542	22
Executive & Planning	187,517	200,034	197,258	184,246	136,100	23
General & Administrative	1,180,541	1,182,603	1,003,883	992,932	929,949	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,368,058	1,382,637	1,201,141	1,177,178	1,066,049	27
Total Operations Expense	5,795,643	5,580,658	5,481,163	5,151,979	5,464,577	28
Other Operating Income & Expenses	2,443				3,482	29
State & Local Income Taxes	(274)	(271)	(474)	44		30
Other Taxes	196,990	177,352	194,492	195,720	195,708	31
Net Operating Income Before FIT	(158,491)	(59,784)	(5,872)	153,953	339,445	32
Investment Tax Credits - Net						33
Federal Income Taxes	(14,417)	(142,721)	(23,538)	(113,649)	149,824	34
Provision - Def. Operating Income Taxes - Net	(79,143)	82,189	(14,421)	130,299	(69,546)	35
Net Operating Income	(\$64,931)	\$748	\$32,087	\$137,303	\$259,167	36

Deposit Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$64,931)	\$748	\$32,087	\$137,303	\$259,167
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	2,193	9,099	10,204	10,444	4,569
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	(227)	(100)	(559)	(1,370)	(1,940)
45 Special Charges	4,028	3,736	(496,657)	506,769	1,889
46 Total Non-Operating Income & Expenses	(2,062)	5,263	506,302	(497,695)	740
NON-OPERATING TAXES					
47 Federal Income Taxes	(671)	2,034	173,532	(174,189)	323
48 Other	274		987		
49 Total Non-Operating Taxes	(397)	2,034	174,519	(174,189)	323
50 Income Available Before Interest Charges	(66,596)	3,977	363,870	(186,203)	259,584
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	192	200	351	728	1,582
53 Total Interest Charges	192	200	351	728	1,582
54 Income Before Extraordinary & Nonreg Items	(66,788)	3,777	363,519	(186,931)	258,002
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$66,788)	\$3,777	\$363,519	(\$186,931)	\$258,002
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$6,877,560	\$6,873,783	\$6,510,264	\$6,697,195	\$6,639,193
60 Transferred from Income	(66,788)	3,777	363,519	(186,931)	258,002
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					200,000
64 Adjustments					
65 Ending Year Balance	6,810,772	6,877,560	6,873,783	6,510,264	6,697,195
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$6,810,772	\$6,877,560	\$6,873,783	\$6,510,264	\$6,697,195

Dunkirk & Fredonia Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$128,484	\$134,807	\$122,156	\$107,531	\$131,237
2 Accounts Receivable (Net)	315,743	572,613	701,910	640,204	190,699
3 Current Deferred Income Taxes	34,968	33,877	31,555	32,992	21,512
4 Other Current Assets	760,036	647,065	709,820	2,104,094	1,979,890
5 Total Current Assets	1,239,231	1,388,362	1,565,441	2,884,821	2,323,338
NON-CURRENT ASSETS					
6 Investments	4,548,369	4,279,819	3,990,167	3,633,024	3,299,010
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	728,156	874,380	860,635	836,001	812,801
11 Other Non-Current Assets	64,261	64,261	64,261	64,261	64,261
12 Total Non-Current Assets	5,340,786	5,218,460	4,915,063	4,533,286	4,176,072
REGULATED PLANT					
13 Total Telecommunications Plant	15,030,474	17,394,962	18,760,477	18,627,193	18,372,025
14 Less: Accumulated Depr and Amort.	11,980,004	14,490,084	15,381,995	15,075,916	14,747,133
15 Net Regulated Plant	3,050,470	2,904,878	3,378,482	3,551,277	3,624,892
16 Total Assets & Other Debits	\$9,630,487	\$9,511,700	\$9,858,986	\$10,969,384	\$10,124,302
CURRENT LIABILITIES					
17 Accounts Payable	\$277,137	\$341,333	\$446,144	\$253,779	\$141,148
18 Notes Payable	2,695,000	1,615,000	1,690,000	3,335,000	2,610,000
19 Advanced Billings		125,862	137,122	180,652	18,190
20 Customer Deposits	1,310	1,929	3,381	3,394	5,349
21 Current Maturities - Long-Term Debt	13,810	61,340	75,809	62,849	33,317
22 Current Deferred Income Taxes					
23 Other Current Liabilities	946,222	1,073,856	725,330	(28,257)	137,063
24 Total Current Liabilities	3,933,479	3,219,320	3,077,786	3,807,417	2,945,067
LONG-TERM DEBT					
25 Long-Term Debt	3,555	15,621	88,475	144,429	81,964
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,011,247	981,790	1,069,720	992,778	921,915
28 Other Deferred Credits	81,447	264,257	260,029	255,127	249,664
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	346,515	393,216	453,100	497,287	537,246
31 Total Other Liab. and Def. Credits	1,439,209	1,639,263	1,782,849	1,745,192	1,708,825
STOCKHOLDER'S EQUITY					
32 Common Stock	619,975	619,975	619,975	619,975	619,975
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	3,634,269	4,017,521	4,289,911	4,652,371	4,768,471
36 Total Stockholder's Equity	4,254,244	4,637,496	4,909,886	5,272,346	5,388,446
37 Total Liab. and Stockholder's Equity	\$9,630,487	\$9,511,700	\$9,858,986	\$10,969,384	\$10,124,302

Dunkirk & Fredonia Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,774,260	\$1,836,771	\$1,926,831	\$1,962,382	\$2,030,312	1
Network Access Services	2,919,822	2,644,878	2,869,960	2,731,335	2,887,933	2
Long Distance Network Services	208	2	1,683	2,760	3,461	3
Miscellaneous Revenues	220,826	346,663	494,187	524,181	768,596	4
Less: Uncollectible Revenues	11,495	2,069	(4,602)	25,140	6,133	5
Total Operating Revenues	4,903,621	4,826,245	5,297,263	5,195,518	5,684,169	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	42,206	85,922	113,493	76,617	80,644	7
General Support Expenses	590,589	498,367	528,201	502,373	534,923	8
Central Office Switching	63,251	86,347	103,668	118,819	334,508	9
Operator Systems Expense						10
Central Office Transmission	210,619	204,639	183,378	139,895	72,660	11
Info. Origination/Termination						12
Cable & Wire Facilities	107,344	105,892	134,915	149,372	177,998	13
Total Plant Specific Operations	1,014,009	981,167	1,063,655	987,076	1,200,733	14
Other Plant, Property & Equipment	4,218	64,257	79,649	60,491	87,896	15
Network Operations	246,897	199,010	155,154	197,450	221,961	16
Access Expense	140,723	147,759	115,166	109,122	106,199	17
Depreciation and Amortization	699,245	689,100	701,377	669,988	709,013	18
Total Plant Non-Specific Operations	1,091,083	1,100,126	1,051,346	1,037,051	1,125,069	19
Marketing Expense	492,566	415,859	437,998	364,568	389,746	20
Services Expense	508,197	622,607	633,732	606,228	721,284	21
Total Customer Operations	1,000,763	1,038,466	1,071,730	970,796	1,111,030	22
Executive & Planning	1,332,309	1,038,752	1,186,588	1,319,746	1,197,820	23
General & Administrative	995,903	1,025,866	1,085,470	1,024,128	1,006,814	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	2,328,212	2,064,618	2,272,058	2,343,874	2,204,634	27
Total Operations Expense	5,434,067	5,184,377	5,458,789	5,338,797	5,641,466	28
Other Operating Income & Expenses		266	51	1,069	483	29
State & Local Income Taxes			1	(400)		30
Other Taxes	296,531	311,740	315,063	298,608	333,532	31
Net Operating Income Before FIT	(826,977)	(669,606)	(476,539)	(440,418)	(290,346)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(285,254)	(150,363)	(272,725)	(268,707)	(199,081)	34
Provision - Def. Operating Income Taxes - Net	(11,330)	(103,997)	53,745	36,183	33,182	35
Net Operating Income	(\$530,393)	(\$415,246)	(\$257,559)	(\$207,894)	(\$124,447)	36

Dunkirk & Fredonia Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$530,393)	(\$415,246)	(\$257,559)	(\$207,894)	(\$124,447)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income			1	1	
39 Interest Income			14	10,726	1
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction				(4)	(47)
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	269,863	283,956	301,555	367,093	176,484
44 Other Non-Operating Income					(4,036)
45 Special Charges	35,603	46,855	29,207	48,497	28,226
46 Total Non-Operating Income & Expenses	234,260	237,101	272,363	329,319	144,176
NON-OPERATING TAXES					
47 Federal Income Taxes			222,432		
48 Other					
49 Total Non-Operating Taxes			222,432		
50 Income Available Before Interest Charges	(296,133)	(178,145)	(207,628)	121,425	19,729
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	61,598	71,725	117,691	179,442	141,642
53 Total Interest Charges	61,598	71,725	117,691	179,442	141,642
54 Income Before Extraordinary & Nonreg Items	(357,731)	(249,870)	(325,319)	(58,017)	(121,913)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	(25,521)	(22,520)	(37,141)	(58,083)	123,242
57 Total Extraordinary & Nonregulated Items	(25,521)	(22,520)	(37,141)	(58,083)	123,242
58 Net Income	(\$383,252)	(\$272,390)	(\$362,460)	(\$116,100)	\$1,329
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$1,279,249)	(\$722,903)	(\$58,888)	\$424,305	\$599,460
60 Transferred from Income	(653,115)	(556,346)	(664,015)	(483,193)	(175,155)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	(1,932,364)	(1,279,249)	(722,903)	(58,888)	424,305
66 Appropriated/Undistr Affiliate Retained Earnings	5,566,633	5,296,770	5,012,814	4,711,259	4,344,166
67 Total Retained Earnings	\$3,634,269	\$4,017,521	\$4,289,911	\$4,652,371	\$4,768,471

Edwards Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$2,124,632	\$1,821,733	\$1,711,930	\$1,997,362	\$1,999,537
2 Accounts Receivable (Net)	255,128	277,504	261,878	285,193	410,473
3 Current Deferred Income Taxes					
4 Other Current Assets	57,421	46,274	60,341	64,004	57,245
5 Total Current Assets	2,437,181	2,145,511	2,034,149	2,346,559	2,467,255
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	70	70	70		
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	70	70	70		
REGULATED PLANT					
13 Total Telecommunications Plant	11,384,412	11,247,544	11,097,315	10,922,943	10,710,287
14 Less: Accumulated Depr and Amort.	9,902,623	9,378,473	8,913,303	8,392,538	7,884,519
15 Net Regulated Plant	1,481,789	1,869,071	2,184,012	2,530,405	2,825,768
16 Total Assets & Other Debits	\$3,919,040	\$4,014,652	\$4,218,231	\$4,876,964	\$5,293,023
CURRENT LIABILITIES					
17 Accounts Payable	\$304,751	\$254,375	\$234,243	\$243,126	\$274,271
18 Notes Payable					
19 Advanced Billings	21,580	20,397	18,765	17,999	17,505
20 Customer Deposits					
21 Current Maturities - Long-Term Debt				1,867	3,733
22 Current Deferred Income Taxes	(6,278)	(5,679)	(8,937)	(5,589)	(6,888)
23 Other Current Liabilities	100,341	35,907	95,626	40,160	76,957
24 Total Current Liabilities	420,394	305,000	339,697	297,563	365,578
LONG-TERM DEBT					
25 Long-Term Debt					1,867
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	198,279	284,010	304,423	352,945	360,544
28 Other Deferred Credits	2,045,369	2,033,372	1,997,121	1,964,017	1,917,805
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	(84,707)	(23,179)	(20,513)	(27,450)	(24,551)
31 Total Other Liab. and Def. Credits	2,158,941	2,294,203	2,281,031	2,289,512	2,253,798
STOCKHOLDER'S EQUITY					
32 Common Stock	67,600	67,600	67,600	67,600	67,600
33 Preferred Stock					
34 Other Paid in Capital	72,597	38,908	38,311	44,107	44,979
35 Retained Earnings	1,199,508	1,308,941	1,491,592	2,178,182	2,559,201
36 Total Stockholder's Equity	1,339,705	1,415,449	1,597,503	2,289,889	2,671,780
37 Total Liab. and Stockholder's Equity	\$3,919,040	\$4,014,652	\$4,218,231	\$4,876,964	\$5,293,023

Edwards Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$363,249	\$339,712	\$372,964	\$390,055	\$409,027	1
Network Access Services	927,435	1,051,588	1,123,058	1,107,515	1,280,242	2
Long Distance Network Services						3
Miscellaneous Revenues	769,050	765,131	661,950	691,660	572,091	4
Less: Uncollectible Revenues	5,901	16,342	7,953	15,544	3,445	5
Total Operating Revenues	2,053,833	2,140,089	2,150,019	2,173,686	2,257,915	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	5,008	4,593	5,015	5,765	3,462	7
General Support Expenses	119,054	115,526	109,486	120,036	113,062	8
Central Office Switching	75,117	72,940	80,433	90,347	113,672	9
Operator Systems Expense						10
Central Office Transmission	252,713	200,086	173,578	127,968	135,955	11
Info. Origination/Termination	43,388	54,299	110,175	96,940	87,999	12
Cable & Wire Facilities	229,900	410,837	307,452	318,905	226,534	13
Total Plant Specific Operations	725,180	858,281	786,139	759,961	680,684	14
Other Plant, Property & Equipment						15
Network Operations	230,895	220,050	183,230	185,094	182,560	16
Access Expense	23,142	33,699	31,914	51,607	41,889	17
Depreciation and Amortization	591,825	584,563	582,860	502,669	565,631	18
Total Plant Non-Specific Operations	845,862	838,312	798,004	739,370	790,080	19
Marketing Expense	91,104	104,130	89,156	90,960	95,588	20
Services Expense	80,723	96,892	86,996	103,739	137,353	21
Total Customer Operations	171,827	201,022	176,152	194,699	232,941	22
Executive & Planning	41,093	45,323	51,926	49,434	37,017	23
General & Administrative	261,593	271,949	266,453	272,541	262,767	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	302,686	317,272	318,379	321,975	299,784	27
Total Operations Expense	2,045,555	2,214,887	2,078,674	2,016,005	2,003,489	28
Other Operating Income & Expenses					1,322	29
State & Local Income Taxes						30
Other Taxes	136,259	145,019	168,313	167,758	174,037	31
Net Operating Income Before FIT	(127,981)	(219,817)	(96,968)	(10,077)	81,711	32
Investment Tax Credits - Net						33
Federal Income Taxes	44,974	(82,520)	(9,145)	(25,644)	44,265	34
Provision - Def. Operating Income Taxes - Net	(104,470)	(17,477)	(47,388)	(4,552)	(55,427)	35
Net Operating Income	(\$68,485)	(\$119,820)	(\$40,435)	\$20,119	\$92,873	36

Edwards Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$68,485)	(\$119,820)	(\$40,435)	\$20,119	\$92,873
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	3,027	6,801	10,506	12,196	15,694
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income					
45 Special Charges	1,060	1,141	(275,380)	254,537	576
46 Total Non-Operating Income & Expenses	1,967	5,660	285,886	(242,341)	15,118
NON-OPERATING TAXES					
47 Federal Income Taxes	688	2,004	100,677	(84,836)	5,244
48 Other					
49 Total Non-Operating Taxes	688	2,004	100,677	(84,836)	5,244
50 Income Available Before Interest Charges	(67,206)	(116,164)	144,774	(137,386)	102,747
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	42,227	66,487	63,364	76,633	114,390
53 Total Interest Charges	42,227	66,487	63,364	76,633	114,390
54 Income Before Extraordinary & Nonreg Items	(109,433)	(182,651)	81,410	(214,019)	(11,643)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$109,433)	(\$182,651)	\$81,410	(\$214,019)	(\$11,643)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,308,941	\$1,491,592	\$2,178,182	\$2,559,201	\$2,570,844
60 Transferred from Income	(109,433)	(182,651)	81,410	(214,019)	(11,643)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock			768,000	167,000	
64 Adjustments					
65 Ending Year Balance	1,199,508	1,308,941	1,491,592	2,178,182	2,559,201
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$1,199,508	\$1,308,941	\$1,491,592	\$2,178,182	\$2,559,201

Empire Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$999,811	\$836,695	\$1,486,935	\$998,645	\$679,146
2 Accounts Receivable (Net)	1,155,239	1,143,824	1,303,305	1,177,314	1,360,129
3 Current Deferred Income Taxes	28,346	29,703	39,064	34,773	38,310
4 Other Current Assets	794,365	605,589	506,313	582,947	704,693
5 Total Current Assets	2,977,761	2,615,811	3,335,617	2,793,679	2,782,278
NON-CURRENT ASSETS					
6 Investments	10,696,364	10,088,539	9,051,184	8,655,793	7,837,697
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	4,508	26,260	1,121	(7,364)	(4,396)
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	235,974	321,116	412,131	466,396	512,550
11 Other Non-Current Assets	1,469,190	1,442,774	1,403,173	1,363,120	1,322,776
12 Total Non-Current Assets	12,406,036	11,878,689	10,867,609	10,477,945	9,668,627
REGULATED PLANT					
13 Total Telecommunications Plant	33,584,696	33,438,514	32,939,029	32,677,931	32,300,286
14 Less: Accumulated Depr and Amort.	21,988,103	21,285,144	20,567,904	19,704,497	18,897,880
15 Net Regulated Plant	11,596,593	12,153,370	12,371,125	12,973,434	13,402,406
16 Total Assets & Other Debits	\$26,980,390	\$26,647,870	\$26,574,351	\$26,245,058	\$25,853,311
CURRENT LIABILITIES					
17 Accounts Payable	\$766,346	\$184,522	\$223,665	154,828	\$157,141
18 Notes Payable					
19 Advanced Billings					
20 Customer Deposits	(206)				
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(179,861)	(188,672)	119,757	(236,721)	(549,908)
24 Total Current Liabilities	586,279	(4,150)	343,422	(81,893)	(392,767)
LONG-TERM DEBT					
25 Long-Term Debt	245,526	338,074	223,717	172,691	185,819
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	2,770,489	2,787,941	2,752,250	2,921,933	2,968,661
28 Other Deferred Credits	870,128	902,831	1,137,856	1,981,148	2,189,406
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	14,545	41,627	74,295		
31 Total Other Liab. and Def. Credits	3,655,162	3,732,399	3,964,401	4,903,081	5,158,067
STOCKHOLDER'S EQUITY					
32 Common Stock	587,737	587,737	587,737	587,737	587,737
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	21,905,686	21,993,810	21,455,074	20,663,442	20,314,455
36 Total Stockholder's Equity	22,493,423	22,581,547	22,042,811	21,251,179	20,902,192
37 Total Liab. and Stockholder's Equity	\$26,980,390	\$26,647,870	\$26,574,351	\$26,245,058	\$25,853,311

Empire Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,154,357	\$1,141,687	\$1,125,445	\$1,121,356	\$1,152,545	1
Network Access Services	2,534,393	2,625,325	3,164,522	2,771,743	3,009,872	2
Long Distance Network Services	4,216	4,683	5,656	7,090	8,408	3
Miscellaneous Revenues	583,567	538,480	551,848	556,121	579,719	4
Less: Uncollectible Revenues	7,100	4,820	1,000		4,000	5
Total Operating Revenues	4,269,433	4,305,355	4,846,471	4,456,310	4,746,544	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	46,272	40,624	45,760	46,107	37,606	7
General Support Expenses	292,000	271,217	243,795	272,018	240,911	8
Central Office Switching	531,322	358,299	472,278	424,809	540,351	9
Operator Systems Expense						10
Central Office Transmission	88,930	18,210	58,770	47,927	65,540	11
Info. Origination/Termination		1,053	(478)	1,260	74	12
Cable & Wire Facilities	544,425	505,182	506,594	500,207	466,960	13
Total Plant Specific Operations	1,502,949	1,194,585	1,326,719	1,292,328	1,351,442	14
Other Plant, Property & Equipment			1,290	14,904	9	15
Network Operations	653,123	573,379	647,945	658,754	595,989	16
Access Expense	120,726	117,495	105,503	108,754	92,968	17
Depreciation and Amortization	1,207,385	1,146,120	1,143,797	1,244,591	1,209,136	18
Total Plant Non-Specific Operations	1,981,234	1,836,994	1,898,535	2,027,003	1,898,102	19
Marketing Expense	19,140	21,456	15,951	8,776	11,530	20
Services Expense	381,761	319,679	376,865	406,778	444,959	21
Total Customer Operations	400,901	341,135	392,816	415,554	456,489	22
Executive & Planning	373,766	245,437	408,102	256,005	230,195	23
General & Administrative	462,226	430,930	589,154	463,495	548,230	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	835,992	676,367	997,256	719,500	778,425	27
Total Operations Expense	4,721,076	4,049,081	4,615,326	4,454,385	4,484,458	28
Other Operating Income & Expenses				404	800	29
State & Local Income Taxes	119,484	113,358	97,431	143,432	102,328	30
Other Taxes	219,402	185,524	261,271	295,208	300,975	31
Net Operating Income Before FIT	(790,529)	(42,608)	(127,557)	(436,311)	(140,417)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(265,196)	(86,952)	(223,883)	(300,655)	(245,552)	34
Provision - Def. Operating Income Taxes - Net	(6,627)	62,814	172,872	51,466	79,622	35
Net Operating Income	(\$518,706)	(\$18,470)	(\$76,546)	(\$187,122)	\$25,513	36

Empire Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$518,706)	(\$18,470)	(\$76,546)	(\$187,122)	\$25,513
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	79,896	57,639	50,175	191,894	1,205
39 Interest Income	18,450	14,608	6,993	230	157
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	149,509	391,755	297,956	32,423	(289,206)
44 Other Non-Operating Income	129,380	(36,508)	788,775	915,751	14,814
45 Special Charges	11,028	12,893	13,080	17,980	3,313
46 Total Non-Operating Income & Expenses	366,207	414,601	1,130,819	1,122,318	(276,343)
NON-OPERATING TAXES					
47 Federal Income Taxes	65,584	(5,092)	259,246	322,365	3,232
48 Other			24,734		
49 Total Non-Operating Taxes	65,584	(5,092)	283,980	322,365	3,232
50 Income Available Before Interest Charges	(218,083)	401,223	770,293	612,831	(254,062)
INTEREST CHARGES					
51 Interest on Funded Debt		1,673	9,346	11,100	15,077
52 Other Interest Expense	16,938	3,011	10,758	17,830	48,967
53 Total Interest Charges	16,938	4,684	20,104	28,930	64,044
54 Income Before Extraordinary & Nonreg Items	(235,021)	396,539	750,189	583,901	(318,106)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$235,021)	\$396,539	\$750,189	\$583,901	(\$318,106)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$20,219,671	\$20,214,887	19,153,261	\$18,601,784	\$18,630,684
60 Transferred from Income	(384,530)	4,784	452,233	551,477	(28,900)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments			609,393		
65 Ending Year Balance	19,835,141	20,219,671	20,214,887	19,153,261	18,601,784
66 Appropriated/Undistr Affiliate Retained Earnings	2,070,545	1,774,139	1,240,187	1,510,181	1,712,671
67 Total Retained Earnings	\$21,905,686	\$21,993,810	\$21,455,074	\$20,663,442	\$20,314,455

Fishers Island Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$208,080	\$222,223	\$239,986	\$145,793	\$125,716
2 Accounts Receivable (Net)	116,342	127,020	125,076	162,865	166,860
3 Current Deferred Income Taxes					
4 Other Current Assets	75,399	36,013	46,958	67,066	68,452
5 Total Current Assets	399,821	385,256	412,020	375,724	361,028
NON-CURRENT ASSETS					
6 Investments	633,052	530,440	449,681	488,600	465,049
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	633,052	530,440	449,681	488,600	465,049
REGULATED PLANT					
13 Total Telecommunications Plant	2,604,540	2,544,911	2,509,209	2,498,274	2,445,089
14 Less: Accumulated Depr and Amort.	1,803,817	1,723,490	1,642,407	1,556,090	1,451,918
15 Net Regulated Plant	800,723	821,421	866,802	942,184	993,171
16 Total Assets & Other Debits	\$1,833,596	\$1,737,117	\$1,728,503	\$1,806,508	\$1,819,248
CURRENT LIABILITIES					
17 Accounts Payable	\$93,725	\$43,432	\$43,207	\$53,529	\$73,946
18 Notes Payable					
19 Advanced Billings					
20 Customer Deposits	1,217	1,224	1,173	2,051	1,550
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	15,145	26,553	30,005	22,745	22,174
24 Total Current Liabilities	110,087	71,209	74,385	78,325	97,670
LONG-TERM DEBT					
25 Long-Term Debt		18,569	46,840	57,249	78,299
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	68,338	70,277	64,330	82,362	68,657
28 Other Deferred Credits	48,872	46,638	46,374	45,948	
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	117,210	116,915	110,704	128,310	68,657
STOCKHOLDER'S EQUITY					
32 Common Stock	78,518	78,518	78,518	78,518	78,518
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	1,527,781	1,451,906	1,418,056	1,464,106	1,496,104
36 Total Stockholder's Equity	1,606,299	1,530,424	1,496,574	1,542,624	1,574,622
37 Total Liab. and Stockholder's Equity	\$1,833,596	\$1,737,117	\$1,728,503	\$1,806,508	\$1,819,248

Fishers Island Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$288,192	\$296,291	\$311,737	\$353,418	\$300,397	1
Network Access Services	475,662	498,111	510,952	468,244	516,714	2
Long Distance Network Services						3
Miscellaneous Revenues	451,015	423,242	536,888	659,933	706,505	4
Less: Uncollectible Revenues	(1,390)	(1,629)				5
Total Operating Revenues	1,216,259	1,219,273	1,359,577	1,481,595	1,523,616	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses		1,272		1,756		7
General Support Expenses	130,306	174,462	174,978	195,799	174,037	8
Central Office Switching	103,248	125,959	81,307	68,578	73,562	9
Operator Systems Expense						10
Central Office Transmission	43,863	34,322	32,145	32,145	31,514	11
Info. Origination/Termination						12
Cable & Wire Facilities	125,896	143,650	170,332	174,448	133,195	13
Total Plant Specific Operations	403,313	479,665	458,762	472,726	412,308	14
Other Plant, Property & Equipment	2,201	2,067	1,362	10,063	1,050	15
Network Operations	150,783	96,195	113,341	112,448	117,753	16
Access Expense		21,664				17
Depreciation and Amortization	98,637	99,393	123,647	124,197	125,686	18
Total Plant Non-Specific Operations	251,621	219,319	238,350	246,708	244,489	19
Marketing Expense						20
Services Expense	30,862	23,048	25,494	26,900	28,741	21
Total Customer Operations	30,862	23,048	25,494	26,900	28,741	22
Executive & Planning	60,436	45,442	50,712	50,712	50,712	23
General & Administrative	345,585	361,713	591,040	642,214	707,344	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	406,021	407,155	641,752	692,926	758,056	27
Total Operations Expense	1,091,817	1,129,187	1,364,358	1,439,260	1,443,594	28
Other Operating Income & Expenses						29
State & Local Income Taxes	48,005	45,460	52,180	54,730	60,204	30
Other Taxes						31
Net Operating Income Before FIT	76,437	44,626	(56,961)	(12,395)	19,818	32
Investment Tax Credits - Net						33
Federal Income Taxes						34
Provision - Def. Operating Income Taxes - Net	(1,939)	5,947	(18,032)	13,705	(2,216)	35
Net Operating Income	\$78,376	\$38,679	(\$38,929)	(\$26,100)	\$22,034	36

Fishers Island Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$78,376	\$38,679	(\$38,929)	(\$26,100)	\$22,034
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	1,842	2,258	3,478	6,980	10,788
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income					
45 Special Charges			1,905	3,025	26,069
46 Total Non-Operating Income & Expenses	1,842	2,258	1,573	3,955	(15,281)
NON-OPERATING TAXES					
47 Federal Income Taxes					
48 Other					
49 Total Non-Operating Taxes					
50 Income Available Before Interest Charges	80,218	40,937	(37,356)	(22,145)	6,753
INTEREST CHARGES					
51 Interest on Funded Debt	4,342	7,088	8,694	9,853	13,933
52 Other Interest Expense					361
53 Total Interest Charges	4,342	7,088	8,694	9,853	14,294
54 Income Before Extraordinary & Nonreg Items	75,876	33,849	(46,050)	(31,998)	(7,541)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$75,876	\$33,849	(\$46,050)	(\$31,998)	(\$7,541)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,451,905	\$1,418,056	\$1,464,106	\$1,496,104	\$1,503,645
60 Transferred from Income	75,876	33,849	(46,050)	(31,998)	(7,541)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	1,527,781	1,451,905	1,418,056	1,464,106	1,496,104
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$1,527,781	\$1,451,905	\$1,418,056	\$1,464,106	\$1,496,104

**Frontier Communications of AuSable Valley
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments				(\$1,355)	(\$2,592)
2 Accounts Receivable (Net)	1,225,728	\$1,363,452	\$1,203,391	1,097,639	1,221,450
3 Current Deferred Income Taxes					
4 Other Current Assets	52,114	65,095	71,079	60,007	61,762
5 Total Current Assets	1,277,842	1,428,547	1,274,470	1,156,292	1,280,621
NON-CURRENT ASSETS					
6 Investments	9,701,945	10,153,481	7,838,601	8,312,925	8,910,967
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	525,000	525,000	525,000	525,000	525,000
12 Total Non-Current Assets	10,226,945	10,678,481	8,363,601	8,837,925	9,435,967
REGULATED PLANT					
13 Total Telecommunications Plant	24,241,063	24,094,981	23,814,639	23,619,070	23,330,593
14 Less: Accumulated Depr and Amort.	21,253,217	20,575,182	19,782,078	19,015,684	18,077,451
15 Net Regulated Plant	2,987,847	3,519,799	4,032,561	4,603,386	5,253,142
16 Total Assets & Other Debits	\$14,492,634	\$15,626,827	\$13,670,632	\$14,597,602	\$15,969,731
CURRENT LIABILITIES					
17 Accounts Payable	\$496,776	\$2,389,768	\$1,035,402	466,521	\$454,128
18 Notes Payable					
19 Advanced Billings	119,713	125,438	129,753	126,548	127,118
20 Customer Deposits	0			105	100
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	58,660	33,638	48,233	98,451	83,819
24 Total Current Liabilities	675,150	2,548,844	1,213,388	691,626	665,166
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	(389,895)	(664,626)	(481,614)	(298,602)	(115,590)
28 Other Deferred Credits	199,745	338,092	297,432	291,569	290,359
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	86,757	421,739	602,733	821,272	903,846
31 Total Other Liab. and Def. Credits	(103,392)	95,205	418,551	814,240	1,078,615
STOCKHOLDER'S EQUITY					
32 Common Stock					
33 Preferred Stock					
34 Other Paid in Capital	4,725,630	4,725,630	4,725,630	4,725,630	4,725,630
35 Retained Earnings	9,195,246	8,257,147	7,313,063	8,366,106	9,500,320
36 Total Stockholder's Equity	13,920,876	12,982,777	12,038,693	13,091,736	14,225,950
37 Total Liab. and Stockholder's Equity	\$14,492,634	\$15,626,827	\$13,670,632	\$14,597,602	\$15,969,731

Frontier Communications of AuSable Valley
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,458,094	\$1,634,861	\$1,706,942	\$1,719,244	\$1,797,324	1
Network Access Services	1,672,293	1,963,305	2,059,723	2,014,025	2,077,997	2
Long Distance Network Services	(491)	442	(1,761)	(1,726)	11,466	3
Miscellaneous Revenues	1,238,273	1,278,189	1,352,299	1,423,183	1,381,066	4
Less: Uncollectible Revenues	20,373	83,566	87,385	68,150	121,387	5
Total Operating Revenues	4,347,796	4,793,231	5,029,818	5,086,576	5,146,466	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	78,106	(284)	39	6,336	7	7
General Support Expenses	222,928	234,513	307,621	268,961	264,681	8
Central Office Switching	119,000	158,569	158,837	198,828	228,019	9
Operator Systems Expense	297	411	3,251	3,738	2,719	10
Central Office Transmission	16,063	37,501	42,826	49,776	63,127	11
Info. Origination/Termination	79,259	81,833	105,782	62,688	109,414	12
Cable & Wire Facilities	260,531	395,256	409,351	439,139	508,933	13
Total Plant Specific Operations	776,184	907,798	1,027,707	1,029,465	1,176,899	14
Other Plant, Property & Equipment	1,479	(390)	12	876	690	15
Network Operations	216,755	289,862	268,218	272,959	261,800	16
Access Expense	119,617	340,711	350,294	320,753	308,299	17
Depreciation and Amortization	824,083	888,346	914,376	968,428	948,490	18
Total Plant Non-Specific Operations	1,161,934	1,518,529	1,532,900	1,563,017	1,519,280	19
Marketing Expense	138,414	158,865	154,710	156,998	132,235	20
Services Expense	323,008	283,337	342,523	276,892	254,378	21
Total Customer Operations	461,422	442,203	497,233	433,890	386,613	22
Executive & Planning	40,445	42,093	60,178	100,023	54,236	23
General & Administrative	261,862	211,397	373,933	458,036	257,727	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	302,308	253,490	434,111	558,059	311,963	27
Total Operations Expense	2,701,848	3,122,020	3,491,951	3,584,431	3,394,756	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	204,299	207,536	117,468	196,948	306,190	31
Net Operating Income Before FIT	1,441,650	1,463,675	1,420,399	1,305,197	1,445,520	32
Investment Tax Credits - Net						33
Federal Income Taxes	(34,309)	(35,497)	29,957	(12,072)	526,511	34
Provision - Def. Operating Income Taxes - Net	274,732	344,421	268,135	236,404	(20,109)	35
Net Operating Income	\$1,201,227	\$1,154,751	\$1,122,307	\$1,080,865	\$939,118	36

Frontier Communications of AuSable Valley
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$1,201,227	\$1,154,751	\$1,122,307	\$1,080,865	\$939,118
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					229,443
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction		(1)	5,813	1,336	4,753
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	772	705			
45 Special Charges	58	460	(648)	1,436	(672)
46 Total Non-Operating Income & Expenses	714	245	6,461	(100)	234,868
NON-OPERATING TAXES					
47 Federal Income Taxes	256,756	201,849	173,340	203,690	98,229
48 Other					
49 Total Non-Operating Taxes	256,756	201,849	173,340	203,690	98,229
50 Income Available Before Interest Charges	945,185	953,147	955,428	877,075	1,075,757
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	7,086	9,063	8,494	11,291	10,909
53 Total Interest Charges	7,086	9,063	8,494	11,291	10,909
54 Income Before Extraordinary & Nonreg Items	938,099	944,084	946,934	865,784	1,064,848
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$938,099	\$944,084	\$946,934	\$865,784	\$1,064,848
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$8,257,148	\$7,313,063	\$8,366,106	\$9,500,320	\$8,435,472
60 Transferred from Income	938,099	944,084	946,957	865,786	1,064,848
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock			2,000,000	2,000,000	
64 Adjustments					
65 Ending Year Balance	9,195,247	8,257,148	7,313,063	8,366,106	9,500,320
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$9,195,247	\$8,257,148	\$7,313,063	\$8,366,106	\$9,500,320

Frontier Communications of New York
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	(\$1,018)	\$3,348	(\$657)	(\$13,197)	\$42,019
2 Accounts Receivable (Net)	17,539,539	10,771,637	15,633,055	9,372,332	10,941,995
3 Current Deferred Income Taxes					
4 Other Current Assets	664,444	631,986	645,072	594,823	622,476
5 Total Current Assets	18,202,964	11,406,972	16,277,470	9,953,957	11,606,490
NON-CURRENT ASSETS					
6 Investments	89,820,559	100,767,818	66,092,807	125,595,433	106,161,146
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	2,717,664	2,717,664	2,717,664	2,717,664	2,719,467
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	6,190,000	6,190,000	6,190,000	6,190,000	6,190,000
12 Total Non-Current Assets	98,728,223	109,675,482	75,000,471	134,503,097	115,070,613
REGULATED PLANT					
13 Total Telecommunications Plant	192,878,446	191,786,136	190,242,799	189,200,097	187,292,929
14 Less: Accumulated Depr and Amort.	162,073,583	158,357,410	154,551,770	149,736,658	143,352,260
15 Net Regulated Plant	30,804,863	33,428,726	35,691,029	39,463,439	43,940,669
16 Total Assets & Other Debits	\$147,736,049	\$154,511,179	\$126,968,971	\$183,920,494	\$170,617,772
CURRENT LIABILITIES					
17 Accounts Payable	\$3,504,204	\$32,370,940	\$17,022,883	\$4,481,370	\$3,450,046
18 Notes Payable					
19 Advanced Billings	651,012	687,314	742,377	905,617	909,059
20 Customer Deposits	(294)	(105)	(374)	(318)	283
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	823,401	287,262	(580,940)	(16,203)	796,426
24 Total Current Liabilities	4,978,322	33,345,410	17,183,947	5,370,466	5,155,815
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	14,274,370	4,882,803	4,680,015	4,477,227	4,274,439
28 Other Deferred Credits	4,760,902	4,580,035	4,425,510	4,284,610	4,117,272
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	16,577,137	16,450,218	16,372,687	16,748,846	17,407,931
31 Total Other Liab. and Def. Credits	35,612,409	25,913,056	25,478,212	25,510,682	25,799,642
STOCKHOLDER'S EQUITY					
32 Common Stock	2,280,411	2,280,411	2,280,411	2,280,411	2,280,411
33 Preferred Stock					
34 Other Paid in Capital	63,236,046	63,236,046	63,236,046	63,236,046	63,236,046
35 Retained Earnings	41,628,861	29,736,257	18,790,360	87,522,889	74,145,858
36 Total Stockholder's Equity	107,145,318	95,252,713	84,306,817	153,039,346	139,662,315
37 Total Liab. and Stockholder's Equity	\$147,736,049	\$154,511,179	\$126,968,976	\$183,920,494	\$170,617,772

Frontier Communications of New York
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009
TELEPHONE OPERATING REVENUES					
Local Network Services	\$10,478,229	\$11,868,584	\$13,152,631	\$14,439,306	\$15,933,339
Network Access Services	19,357,675	19,968,814	21,095,763	20,685,364	20,972,860
Long Distance Network Services	(19,616)	(17,544)	(12,270)	(21,570)	28,538
Miscellaneous Revenues	12,369,645	12,842,235	14,047,211	16,190,170	17,766,130
Less: Uncollectible Revenues	143,569	146,905	346,367	279,995	75,376
Total Operating Revenues	42,042,366	44,515,184	47,936,969	51,013,275	54,625,491
TELEPHONE OPERATING EXPENSES					
Network Support Expenses	440,227	11,896	375	51,862	503
General Support Expenses	1,036,160	1,528,160	2,168,536	1,925,032	1,893,226
Central Office Switching	520,246	482,947	501,923	524,725	725,089
Operator Systems Expense	1,924	3,205	23,234	27,868	21,460
Central Office Transmission	507,697	784,643	675,801	471,979	571,810
Info. Origination/Termination	965,191	1,438,483	2,282,657	1,710,673	1,976,473
Cable & Wire Facilities	1,353,650	1,767,841	2,402,142	1,461,401	1,845,019
Total Plant Specific Operations	4,825,094	6,017,175	8,054,668	6,173,541	7,033,580
Other Plant, Property & Equipment	1,469	10,809	(117)	20	672
Network Operations	1,201,127	2,371,830	2,090,982	2,129,347	2,314,743
Access Expense	1,772,718	2,313,047	2,205,981	2,054,120	2,282,705
Depreciation and Amortization	5,185,474	5,085,294	5,860,484	7,167,252	8,434,498
Total Plant Non-Specific Operations	8,160,786	9,780,981	10,157,330	11,350,739	13,032,618
Marketing Expense	852,662	1,387,366	1,302,107	1,322,470	1,250,163
Services Expense	3,274,449	4,150,202	4,050,420	3,700,196	4,105,766
Total Customer Operations	4,127,112	5,537,567	5,352,528	5,022,666	5,355,929
Executive & Planning	257,088	356,343	534,517	871,880	489,808
General & Administrative	1,830,156	1,883,693	3,184,805	3,856,858	2,310,556
Provision - Uncollectible Notes Rec. Other					
Total Corporate Operations	2,087,243	2,240,036	3,719,321	4,728,738	2,800,364
Total Operations Expense	19,200,236	23,575,759	27,283,846	27,275,684	28,222,491
Other Operating Income & Expenses					
State & Local Income Taxes					
Other Taxes	2,915,101	2,768,920	2,358,571	2,288,810	3,230,911
Net Operating Income Before FIT	19,927,029	18,170,505	18,294,552	21,448,781	23,172,089
Investment Tax Credits - Net					
Federal Income Taxes	(3,785,387)	(4,752,378)	(3,504,737)	(3,457,593)	7,562,971
Provision - Def. Operating Income Taxes - Net	9,391,568	9,978,571	8,767,234	9,269,606	593,390
Net Operating Income	\$14,320,848	\$12,944,312	\$13,032,055	\$15,636,768	\$15,015,728

Frontier Communications of New York
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$14,320,848	\$12,944,312	\$13,032,055	\$15,636,768	\$15,015,728
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					2,836,884
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction		(3)	20,531	11,625	27,709
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	223,583	206,597	183,285	162,414	131,797
45 Special Charges	407,077	369,930	334,248	334,011	282,373
46 Total Non-Operating Income & Expenses	(183,493)	(163,337)	(130,432)	(159,972)	2,714,017
NON-OPERATING TAXES					
47 Federal Income Taxes	882,440	601,971	520,357	1,096,165	746,609
48 Other					
49 Total Non-Operating Taxes	882,440	601,971	520,357	1,096,165	746,609
50 Income Available Before Interest Charges	13,254,915	12,179,004	12,381,266	14,380,631	16,983,136
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	1,362,310	1,233,108	1,113,793	1,003,600	901,821
53 Total Interest Charges	1,362,310	1,233,108	1,113,793	1,003,600	901,821
54 Income Before Extraordinary & Nonreg Items	11,892,604	10,945,896	11,267,473	13,377,031	16,081,315
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$11,892,604	\$10,945,896	\$11,267,473	\$13,377,031	\$16,081,315
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$29,736,256	\$18,790,360	\$87,522,889	\$74,145,858	\$62,064,543
60 Transferred from Income	11,892,604	10,945,896	11,267,473	13,377,031	16,081,315
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock			40,000,000		4,000,000
64 Adjustments			(40,000,002)		
65 Ending Year Balance	41,628,861	29,736,256	18,790,360	87,522,889	74,145,858
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$41,628,861	\$29,736,256	\$18,790,360	\$87,522,889	\$74,145,858

Rochester Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,369,903	\$1,508,605	\$383,059	\$1,764,009	\$1,171,639
2 Accounts Receivable (Net)	85,782,090	79,573,509	67,808,904	60,394,934	109,074,814
3 Current Deferred Income Taxes					
4 Other Current Assets	7,551,508	7,765,741	6,983,357	6,745,070	7,355,366
5 Total Current Assets	94,703,502	88,847,854	75,175,320	68,904,013	117,601,818
NON-CURRENT ASSETS					
6 Investments	354,771,283	509,861,999	308,127,834	319,186,085	209,437,779
7 Unamortized Debt Issuance Costs					
8 Deferred Charges		15,311	15,311	16,135	16,135
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	183,735,250	183,900,250	184,065,250	184,230,250	184,395,250
12 Total Non-Current Assets	538,506,533	693,777,560	492,208,395	503,432,470	393,849,164
REGULATED PLANT					
13 Total Telecommunications Plant	1,530,140,605	1,522,264,544	1,510,242,331	1,495,378,697	1,477,756,362
14 Less: Accumulated Depr and Amort.	1,275,213,928	1,232,107,015	1,184,241,424	1,124,224,180	1,062,397,661
15 Net Regulated Plant	254,926,677	290,157,529	326,000,907	371,154,517	415,358,701
16 Total Assets & Other Debits	\$888,136,711	\$1,072,782,943	\$893,384,622	\$943,491,000	\$926,809,683
CURRENT LIABILITIES					
17 Accounts Payable	\$54,817,155	\$252,370,362	\$86,352,136	\$42,972,696	\$41,495,735
18 Notes Payable					
19 Advanced Billings	3,307,860	3,379,831	3,432,778	3,632,275	3,647,685
20 Customer Deposits	83	59,097	2,410	470	167
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	1,771,400	(641,873)	2,418,074	3,995,711	5,406,199
24 Total Current Liabilities	59,896,499	255,167,418	92,205,398	50,601,153	50,549,785
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	88,919,848	68,248,975	66,974,467	65,699,959	64,425,451
28 Other Deferred Credits	(29,056,298)	(26,636,202)	(24,317,882)	(21,906,258)	(19,933,084)
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	166,296,160	154,406,233	143,629,205	133,885,556	125,522,428
31 Total Other Liab. and Def. Credits	226,159,710	196,019,006	186,285,791	177,679,258	170,014,795
STOCKHOLDER'S EQUITY					
32 Common Stock					
33 Preferred Stock					
34 Other Paid in Capital	451,236,610	451,236,610	451,236,610	451,236,610	451,236,610
35 Retained Earnings	150,843,892	170,359,909	163,656,825	263,973,979	255,008,493
36 Total Stockholder's Equity	602,080,502	621,596,519	614,893,435	715,210,589	706,245,103
37 Total Liab. and Stockholder's Equity	\$888,136,711	\$1,072,782,943	\$893,384,624	\$943,491,000	\$926,809,683

Rochester Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$72,070,358	\$82,620,312	\$90,534,985	\$103,014,656	\$120,484,077	1
Network Access Services	80,678,733	94,980,495	97,597,486	97,861,876	94,381,432	2
Long Distance Network Services	213,498	242,153	312,902	389,165	1,226,548	3
Miscellaneous Revenues	60,288,754	61,319,369	60,564,701	66,237,004	76,047,683	4
Less: Uncollectible Revenues	1,456,243	1,957,788	2,669,899	3,710,937	4,854,247	5
Total Operating Revenues	211,795,100	237,204,541	246,340,175	263,791,764	287,285,493	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	3,391,292	519,375	653,729	889,101	898,789	7
General Support Expenses	9,351,000	10,977,471	14,317,387	12,675,071	11,370,039	8
Central Office Switching	6,215,230	6,224,739	6,651,373	5,690,219	6,010,448	9
Operator Systems Expense	24,915	54,908	183,889	180,758	136,768	10
Central Office Transmission	3,334,151	3,262,063	3,585,205	4,748,476	4,844,024	11
Info. Origination/Termination	6,644,228	5,026,680	5,842,199	4,382,540	6,392,939	12
Cable & Wire Facilities	21,049,887	22,912,664	23,218,008	24,646,746	23,981,234	13
Total Plant Specific Operations	50,010,704	48,977,899	54,451,790	53,212,911	53,634,240	14
Other Plant, Property & Equipment	25,977	204,144	(944)	(918)	224,100	15
Network Operations	15,707,234	17,369,991	16,573,258	15,277,841	14,001,775	16
Access Expense	4,448,792	6,222,924	5,403,621	5,351,137	5,497,275	17
Depreciation and Amortization	52,906,458	59,629,909	68,827,514	69,199,706	69,960,582	18
Total Plant Non-Specific Operations	73,088,461	83,426,968	90,803,449	89,827,766	89,683,733	19
Marketing Expense	7,836,310	11,001,223	11,522,853	10,452,812	9,594,650	20
Services Expense	25,756,176	27,172,238	30,775,124	30,164,026	30,784,728	21
Total Customer Operations	33,592,486	38,173,461	42,297,977	40,616,838	40,379,378	22
Executive & Planning	1,642,830	1,842,181	2,898,392	4,513,193	2,700,736	23
General & Administrative	16,224,462	28,040,636	34,112,679	36,299,311	26,865,708	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	17,867,293	29,882,818	37,011,071	40,812,504	29,566,444	27
Total Operations Expense	174,558,943	200,461,145	224,564,287	224,470,019	213,263,795	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	20,580,862	18,690,539	16,490,634	20,275,136	21,085,940	31
Net Operating Income Before FIT	16,655,295	18,052,857	5,285,254	19,046,609	52,935,757	32
Investment Tax Credits - Net						33
Federal Income Taxes	(22,904,949)	(9,209,058)	(15,754,871)	(21,583,707)	4,319,277	34
Provision - Def. Operating Income Taxes - Net	20,670,872	8,048,694	11,304,142	21,571,000	6,737,964	35
Net Operating Income	\$18,889,372	\$19,213,221	\$9,735,983	\$19,059,316	\$41,878,516	36

Rochester Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$18,889,372	\$19,213,221	\$9,735,983	\$19,059,316	\$41,878,516
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					5,146,604
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	25,543	89,131	315,569	198,987	193,102
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	2,727,138	2,513,064	2,266,004	1,958,618	1,270,293
45 Special Charges	7,916	49,018	21,765	49,430	257,249
46 Total Non-Operating Income & Expenses	2,744,766	2,553,177	2,559,808	2,108,175	6,352,750
NON-OPERATING TAXES					
47 Federal Income Taxes	4,054,103	4,080,161	2,642,560	3,147,442	7,683,653
48 Other					
49 Total Non-Operating Taxes	4,054,103	4,080,161	2,642,560	3,147,442	7,683,653
50 Income Available Before Interest Charges	17,580,032	17,686,237	9,653,231	18,020,049	40,547,613
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	12,096,052	10,983,152	9,970,383	9,054,562	8,203,246
53 Total Interest Charges	12,096,052	10,983,152	9,970,383	9,054,562	8,203,246
54 Income Before Extraordinary & Nonreg Items	5,483,980	6,703,084	(317,152)	8,965,487	32,344,367
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	23,038,371	21,368,183	17,958,092	18,984,052	20,829,143
57 Total Extraordinary & Nonregulated Items	23,038,371	21,368,183	17,958,092	18,984,052	20,829,143
58 Net Income	\$28,522,351	\$28,071,268	\$17,640,940	\$27,949,539	\$53,173,511
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$170,359,912	\$163,656,827	\$263,973,979	\$255,008,493	\$222,664,126
60 Transferred from Income	5,483,980	6,703,084	(317,152)	8,965,486	32,344,367
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	25,000,000		100,000,000		
64 Adjustments					
65 Ending Year Balance	150,843,892	170,359,912	163,656,827	263,973,979	255,008,493
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$150,843,892	\$170,359,912	\$163,656,827	\$263,973,979	\$255,008,493

**Frontier Communications of Seneca Gorham
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments				(\$945)	\$4,511
2 Accounts Receivable (Net)	1,358,289	\$1,362,469	\$1,308,944	1,259,924	1,966,542
3 Current Deferred Income Taxes					
4 Other Current Assets	51,403	52,261	50,328	50,851	54,985
5 Total Current Assets	1,409,692	1,414,730	1,359,272	1,309,830	2,026,038
NON-CURRENT ASSETS					
6 Investments	4,077,541	5,017,068	2,344,724	5,122,393	7,244,201
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	334,165	334,165	334,165	334,165	334,165
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	4,411,706	5,351,233	2,678,889	5,456,558	7,578,366
REGULATED PLANT					
13 Total Telecommunications Plant	27,138,616	26,906,619	26,567,470	26,062,437	25,427,670
14 Less: Accumulated Depr and Amort.	23,635,897	23,000,402	22,257,499	21,573,258	20,844,630
15 Net Regulated Plant	3,502,720	3,906,218	4,309,971	4,489,179	4,583,040
16 Total Assets & Other Debits	\$9,324,117	\$10,672,181	\$8,348,132	\$11,255,567	\$14,187,445
CURRENT LIABILITIES					
17 Accounts Payable	547,616	2,969,355	1,103,775	757,011	600,550
18 Notes Payable					
19 Advanced Billings	208,620	217,511	226,756	231,167	232,172
20 Customer Deposits	166	132	(3)	35	101
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	71,158	45,503	67,857	92,047	107,191
24 Total Current Liabilities	827,561	3,232,500	1,398,385	1,080,261	940,014
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,827,324	1,323,475	1,295,623	1,267,771	1,239,919
28 Other Deferred Credits	(34,513)	(23,998)	(12,954)	(3,217)	1,861
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	778,615	837,659	919,135	1,004,199	1,072,529
31 Total Other Liab. and Def. Credits	2,571,427	2,137,136	2,201,804	2,268,753	2,314,309
STOCKHOLDER'S EQUITY					
32 Common Stock	1	1	1	1	1
33 Preferred Stock					
34 Other Paid in Capital	5,736,563	5,736,563	5,736,563	5,736,563	5,736,563
35 Retained Earnings	188,566	(434,020)	(988,624)	2,169,989	5,196,558
36 Total Stockholder's Equity	5,925,130	5,302,544	4,747,940	7,906,553	10,933,122
37 Total Liab. and Stockholder's Equity	\$9,324,117	\$10,672,181	\$8,348,129	\$11,255,567	\$14,187,445

**Frontier Communications of Seneca Gorham
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,428,301	\$1,538,522	\$1,660,533	\$1,745,691	\$1,895,443	1
Network Access Services	1,474,076	1,635,907	1,675,847	1,702,701	2,097,380	2
Long Distance Network Services	8,139	12,612	8,247	20,248	27,065	3
Miscellaneous Revenues	1,665,511	1,630,278	1,692,624	1,805,854	1,802,216	4
Less: Uncollectible Revenues	49,144	52,987	84,057	68,453	73,563	5
Total Operating Revenues	4,526,884	4,764,330	4,953,194	5,206,041	5,748,541	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	80,838	(7,623)	48	7,743	9	7
General Support Expenses	204,513	284,609	314,295	288,531	296,373	8
Central Office Switching	163,636	166,995	122,379	121,019	128,339	9
Operator Systems Expense	336	657	3,966	4,665	3,487	10
Central Office Transmission	91,195	140,287	152,053	93,892	80,360	11
Info. Origination/Termination	156,185	130,429	161,966	112,576	191,776	12
Cable & Wire Facilities	292,930	394,758	368,262	350,616	298,362	13
Total Plant Specific Operations	989,634	1,110,112	1,122,969	979,042	998,705	14
Other Plant, Property & Equipment	551	(583)	(14)	2	88	15
Network Operations	295,723	495,857	353,359	368,518	369,558	16
Access Expense	139,439	165,458	159,934	145,400	148,775	17
Depreciation and Amortization	820,677	813,537	742,285	771,103	802,886	18
Total Plant Non-Specific Operations	1,256,390	1,474,269	1,255,564	1,285,024	1,321,306	19
Marketing Expense	191,759	228,292	188,503	198,355	170,117	20
Services Expense	439,044	475,675	417,652	343,488	321,408	21
Total Customer Operations	630,803	703,967	606,155	541,843	491,525	22
Executive & Planning	45,611	60,798	70,479	121,276	66,715	23
General & Administrative	365,292	319,330	445,056	529,672	324,367	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	410,903	380,128	515,535	650,948	391,082	27
Total Operations Expense	3,287,730	3,668,476	3,500,223	3,456,857	3,202,618	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	212,286	218,569	173,363	247,313	362,710	31
Net Operating Income Before FIT	1,026,868	877,286	1,279,608	1,501,871	2,183,213	32
Investment Tax Credits - Net						33
Federal Income Taxes	(518,239)	(781,947)	(672,211)	(604,798)	115,944	34
Provision - Def. Operating Income Taxes - Net	503,849	708,363	759,041	732,830	648,181	35
Net Operating Income	\$1,041,258	\$950,870	\$1,192,778	\$1,373,839	\$1,419,088	36

Frontier Communications of Seneca Gorham
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$1,041,258	\$950,870	\$1,192,778	\$1,373,839	\$1,419,088
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income				3	178,928
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction		(0)	4,713	1,637	607
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	14,064	12,897			
45 Special Charges	65	272	11,682	7,807	(7,248)
46 Total Non-Operating Income & Expenses	13,999	12,625	16,395	(6,167)	186,783
NON-OPERATING TAXES					
47 Federal Income Taxes	378,408	359,774	323,425	354,264	74,909
48 Other					
49 Total Non-Operating Taxes	378,408	359,774	323,425	354,264	74,909
50 Income Available Before Interest Charges	676,849	603,720	885,748	1,013,408	1,530,962
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	54,263	49,116	44,364	39,977	35,919
53 Total Interest Charges	54,263	49,116	44,364	39,977	35,919
54 Income Before Extraordinary & Nonreg Items	622,586	554,604	841,384	973,431	1,495,043
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$622,586	\$554,604	\$841,384	\$973,431	\$1,495,043
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$434,020)	(\$988,627)	\$2,169,989	\$5,196,558	\$3,701,515
60 Transferred from Income	622,586	554,604	841,384	973,431	1,495,043
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock			4,000,000	4,000,000	
64 Adjustments					
65 Ending Year Balance	188,566	(434,023)	(988,627)	2,169,989	5,196,558
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$188,566	(\$434,023)	(\$988,626)	\$2,169,989	\$5,196,558

**Frontier Communications of Sylvan Lake
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments				(\$1,834)	\$2,364
2 Accounts Receivable (Net)	2,709,711	\$1,516,739	\$1,405,663	1,245,919	1,657,292
3 Current Deferred Income Taxes					
4 Other Current Assets	172,907	148,842	156,969	143,388	55,464
5 Total Current Assets	2,882,618	1,665,581	1,562,632	1,387,473	1,715,120
NON-CURRENT ASSETS					
6 Investments	6,960,773	8,593,095	5,357,876	15,375,945	13,560,376
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	277,935	277,935	277,935	277,935	277,935
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	(321,000)	(321,000)	(321,000)	(321,000)	(321,000)
12 Total Non-Current Assets	6,917,708	8,550,030	5,314,811	15,332,880	13,517,311
REGULATED PLANT					
13 Total Telecommunications Plant	53,011,559	52,912,738	52,792,752	52,401,697	52,058,963
14 Less: Accumulated Depr and Amort.	44,881,905	43,910,811	42,985,210	41,593,758	40,036,826
15 Net Regulated Plant	8,129,654	9,001,927	9,807,542	10,807,939	12,022,137
16 Total Assets & Other Debits	\$17,929,980	\$19,217,538	\$16,684,985	\$27,528,292	\$27,254,568
CURRENT LIABILITIES					
17 Accounts Payable	613,604	3,900,243	1,662,180	891,597	852,080
18 Notes Payable					
19 Advanced Billings	124,061	136,200	143,134	174,623	175,282
20 Customer Deposits		(141)	(31)	71	(70)
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	59,180	31,114	63,728	196,641	182,983
24 Total Current Liabilities	796,844	4,067,416	1,869,012	1,262,931	1,210,275
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	4,778,695	2,831,824	2,637,741	2,466,051	2,294,361
28 Other Deferred Credits	104,950	113,216	120,700	120,841	108,610
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	219,400	243,205	295,176	390,541	481,374
31 Total Other Liab. and Def. Credits	5,103,046	3,188,245	3,053,618	2,977,433	2,884,346
STOCKHOLDER'S EQUITY					
32 Common Stock					
33 Preferred Stock					
34 Other Paid in Capital	12,654,368	12,654,368	12,654,368	12,654,368	12,654,368
35 Retained Earnings	(624,277)	(692,490)	(892,015)	10,633,560	10,505,580
36 Total Stockholder's Equity	12,030,090	11,961,877	11,762,353	23,287,928	23,159,948
37 Total Liab. and Stockholder's Equity	\$17,929,980	\$19,217,538	\$16,684,983	\$27,528,292	\$27,254,568

**Frontier Communications of Sylvan Lake
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

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INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,790,070	\$2,027,864	\$2,219,038	\$2,435,216	\$2,645,315	1
Network Access Services	2,127,978	2,422,645	2,877,278	2,649,631	3,516,169	2
Long Distance Network Services	(2,091)	(3,818)	(2,886)	(3,795)	(1,426)	3
Miscellaneous Revenues	1,700,764	1,897,480	2,105,052	2,390,587	2,657,856	4
Less: Uncollectible Revenues	134,347	79,973	98,549	85,108	(19,940)	5
Total Operating Revenues	5,482,373	4,944,550	7,099,933	7,386,531	8,837,853	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	59,294	(426)	63	10,323	13	7
General Support Expenses	237,939	276,442	414,946	388,493	410,988	8
Central Office Switching	1,040,194	1,073,738	1,036,736	1,068,022	1,040,431	9
Operator Systems Expense	383	616	5,144	6,383	4,999	10
Central Office Transmission	69,971	127,997	129,390	143,545	153,090	11
Info. Origination/Termination	247,505	288,445	324,453	312,277	327,585	12
Cable & Wire Facilities	252,353	319,696	370,580	409,828	425,586	13
Total Plant Specific Operations	1,907,639	2,086,509	2,281,312	2,338,872	2,362,693	14
Other Plant, Property & Equipment	3,397	(584)	(21)	3	135	15
Network Operations	333,146	358,164	335,144	454,217	543,008	16
Access Expense	160,428	195,072	204,725	214,620	198,740	17
Depreciation and Amortization	1,231,816	1,535,280	1,589,673	1,806,573	2,514,667	18
Total Plant Non-Specific Operations	1,728,787	2,087,932	2,129,521	2,475,412	3,256,550	19
Marketing Expense	173,513	225,693	249,466	274,189	254,646	20
Services Expense	504,127	558,060	667,838	611,595	607,655	21
Total Customer Operations	677,639	783,753	917,304	885,784	862,301	22
Executive & Planning	51,951	61,771	98,536	172,562	101,865	23
General & Administrative	404,623	363,401	635,067	763,726	537,485	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	456,574	425,172	733,603	936,288	639,351	27
Total Operations Expense	4,770,639	4,997,929	6,061,740	6,636,356	7,120,894	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	553,629	558,940	358,582	596,289	688,435	31
Net Operating Income Before FIT	158,105	(612,320)	679,611	153,886	1,028,524	32
Investment Tax Credits - Net						33
Federal Income Taxes	(2,227,053)	(2,039,895)	(3,236,335)	(2,382,196)	98,516	34
Provision - Def. Operating Income Taxes - Net	1,946,870	1,825,583	3,148,095	2,017,286	265,687	35
Net Operating Income	\$438,288	(\$398,008)	\$767,851	\$518,796	\$664,321	36

**Frontier Communications of Sylvan Lake
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
37 Net Operating Income	\$438,288	(\$398,008)	\$767,851	\$518,796	\$664,321
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction			6,071	2,301	3,024
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	8,266	7,485	6,828		
45 Special Charges	75	263	(3)	(866)	(3,004)
46 Total Non-Operating Income & Expenses	8,191	7,222	12,896	3,167	6,028
NON-OPERATING TAXES					
47 Federal Income Taxes	348,617	317,066	282,093	370,410	169,296
48 Other					
49 Total Non-Operating Taxes	348,617	317,066	282,093	370,410	169,296
50 Income Available Before Interest Charges	97,861	(707,852)	498,654	151,553	501,053
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	29,648	26,836	24,231	21,841	(391,696)
53 Total Interest Charges	29,648	26,836	24,231	21,841	(391,696)
54 Income Before Extraordinary & Nonreg Items	68,213	(734,689)	474,423	129,712	892,749
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	958,626	934,213	931,727	1,196,488	
57 Total Extraordinary & Nonregulated Items	958,626	934,213	931,727	1,196,488	
58 Net Income	\$1,026,839	\$199,524	\$1,406,150	\$1,326,200	\$892,749
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$692,490)	\$10,471,197	\$10,633,560	\$10,505,580	\$12,112,831
60 Transferred from Income	68,213	199,524	474,423	127,981	892,749
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					2,500,000
64 Adjustments		(11,363,212)	(636,786)		
65 Ending Year Balance	(624,277)	(692,491)	10,471,197	10,633,560	10,505,580
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	(\$624,277)	(\$692,491)	\$10,471,197	\$10,633,560	\$10,505,580

Germantown Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$125,227	\$264,766	\$396,269	\$512,507	\$655,921
2 Accounts Receivable (Net)	1,441,611	594,953	413,398	275,418	301,731
3 Current Deferred Income Taxes	1,166	2,165	3,164	4,162	4,949
4 Other Current Assets	165,541	214,617	198,932	177,190	229,208
5 Total Current Assets	1,733,546	1,076,502	1,011,764	969,277	1,191,809
NON-CURRENT ASSETS					
6 Investments	4,107,493	4,314,376	4,342,488	4,420,858	4,421,010
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1,384,270	1,257,107	766,000	557,604	408,627
11 Other Non-Current Assets	2,148,351	2,064,676	2,002,912	1,904,925	1,800,435
12 Total Non-Current Assets	7,640,114	7,636,159	7,111,400	6,883,387	6,630,072
REGULATED PLANT					
13 Total Telecommunications Plant	9,355,278	9,256,923	9,110,923	9,241,224	10,012,848
14 Less: Accumulated Depr and Amort.	6,480,610	6,200,666	5,871,426	5,948,867	7,257,391
15 Net Regulated Plant	2,874,668	3,056,257	3,239,497	3,292,357	2,755,458
16 Total Assets & Other Debits	\$12,248,327	\$11,768,918	\$11,362,660	\$11,145,022	\$10,577,340
CURRENT LIABILITIES					
17 Accounts Payable	\$2,979,766	\$1,950,783	\$1,412,450	\$1,091,940	\$392,078
18 Notes Payable					
19 Advanced Billings	10,963	18,227	20,704	23,080	21,776
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	30,750	18,377	(246,700)	(188,425)	(102,303)
24 Total Current Liabilities	3,021,479	1,987,387	1,186,453	926,595	311,552
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	569,278	613,144	623,474	481,901	204,607
28 Other Deferred Credits	3,428	6,367	9,306	12,240	14,556
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	1,670,492	1,701,721	1,643,223	1,283,562	1,264,572
31 Total Other Liab. and Def. Credits	2,243,198	2,321,233	2,276,003	1,777,703	1,483,734
STOCKHOLDER'S EQUITY					
32 Common Stock	80,000	80,000	80,000	80,000	80,000
33 Preferred Stock					
34 Other Paid in Capital	(205,870)	(241,815)	(222,587)	4,662	41,397
35 Retained Earnings	7,109,520	7,622,113	8,042,791	8,356,062	8,660,657
36 Total Stockholder's Equity	6,983,651	7,460,298	7,900,204	8,440,724	8,782,054
37 Total Liab. and Stockholder's Equity	\$12,248,327	\$11,768,918	\$11,362,660	\$11,145,022	\$10,577,340

Germantown Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$662,436	\$649,860	\$640,643	\$611,371	\$494,763	1
Network Access Services	1,360,029	1,470,168	1,555,873	1,478,905	1,807,387	2
Long Distance Network Services						3
Miscellaneous Revenues	265,270	254,588	278,481	306,960	305,165	4
Less: Uncollectible Revenues	560	1,233	5,037	1,072	(2,527)	5
Total Operating Revenues	2,287,175	2,373,383	2,469,960	2,396,164	2,609,842	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	8,205	4,775	6,443	7,282	6,018	7
General Support Expenses	272,451	270,685	278,861	289,976	276,979	8
Central Office Switching	152,416	295,701	371,568	281,198	207,770	9
Operator Systems Expense						10
Central Office Transmission	186,713	102,814	70,860	64,337	93,218	11
Info. Origination/Termination	26,526	30,446	36,613	23,629	22,368	12
Cable & Wire Facilities	133,506	139,962	108,466	100,066	84,891	13
Total Plant Specific Operations	779,818	844,383	872,811	766,487	691,244	14
Other Plant, Property & Equipment	335					15
Network Operations	268,710	280,476	287,736	299,198	312,789	16
Access Expense	73,002	69,747	66,540	66,898	54,506	17
Depreciation and Amortization	324,725	353,212	292,802	231,857	455,215	18
Total Plant Non-Specific Operations	666,771	703,435	647,078	597,953	822,511	19
Marketing Expense	54,437	93,969	85,671	103,513	61,470	20
Services Expense	194,420	167,603	177,346	190,628	195,727	21
Total Customer Operations	248,858	261,572	263,017	294,140	257,197	22
Executive & Planning	310,909	274,332	271,180	276,079	262,998	23
General & Administrative	732,774	700,647	730,448	702,327	768,489	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,043,683	974,979	1,001,628	978,406	1,031,487	27
Total Operations Expense	2,739,130	2,784,369	2,784,534	2,636,986	2,802,438	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	109,186	104,527	116,049	118,004	122,559	31
Net Operating Income Before FIT	(561,142)	(515,513)	(430,623)	(358,827)	(315,155)	32
Investment Tax Credits - Net						33
Federal Income Taxes			(269,817)	(239,402)	(114,042)	34
Provision - Def. Operating Income Taxes - Net	(194,365)	(153,127)	136,836	148,028	85,259	35
Net Operating Income	(\$366,777)	(\$362,386)	(\$297,642)	(\$267,453)	(\$286,372)	36

Germantown Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$366,777)	(\$362,386)	(\$297,642)	(\$267,453)	(\$286,372)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	2,251	1,615	1,076	2,366	14,980
39 Interest Income	4	7,265	12,764	13,256	2,140
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(206,883)	(28,112)	(78,370)	(152)	90,619
44 Other Non-Operating Income	7,317	8,543	2,370	69,287	(21,623)
45 Special Charges	(62,793)	(40,940)	(56,387)	(57,729)	(63,120)
46 Total Non-Operating Income & Expenses	(134,519)	30,252	(5,773)	142,486	149,235
NON-OPERATING TAXES					
47 Federal Income Taxes	(702)	1,544	859	23,628	(78,887)
48 Other					
49 Total Non-Operating Taxes	(702)	1,544	859	23,628	(78,887)
50 Income Available Before Interest Charges	(500,593)	(333,678)	(304,274)	(148,595)	(58,250)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense					233
53 Total Interest Charges					233
54 Income Before Extraordinary & Nonreg Items	(500,593)	(333,678)	(304,274)	(148,595)	(58,483)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$500,593)	(\$333,678)	(\$304,274)	(\$148,595)	(\$58,483)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$5,833,486	\$6,226,051	\$6,460,954	\$6,765,397	\$6,926,498
60 Transferred from Income	(293,711)	(305,565)	(225,903)	(148,443)	(149,100)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	12,000	87,000	9,000	156,000	12,000
64 Adjustments					
65 Ending Year Balance	5,527,775	5,833,486	6,226,051	6,460,954	6,765,397
66 Appropriated/Undistr Affiliate Retained Earnings	1,581,743	1,788,627	1,816,738	1,895,108	1,895,260
67 Total Retained Earnings	\$7,109,519	\$7,622,113	\$8,042,789	\$8,356,062	\$8,660,657

**Hancock Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$322,173	\$168,525	\$101,924	\$60,349	\$155,050
2 Accounts Receivable (Net)	145,313	128,391	139,074	166,688	168,068
3 Current Deferred Income Taxes	66,100	69,710	70,960	8,941	8,291
4 Other Current Assets	1,509,554	1,348,769	1,333,561	1,234,557	1,172,783
5 Total Current Assets	2,043,140	1,715,395	1,645,519	1,470,535	1,504,192
NON-CURRENT ASSETS					
6 Investments	1,991,951	1,795,019	1,598,630	1,489,272	1,459,304
7 Unamortized Debt Issuance Costs				985	2,221
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	405,413	459,047	467,501	560,132	566,707
11 Other Non-Current Assets					
12 Total Non-Current Assets	2,397,364	2,254,066	2,066,131	2,050,389	2,028,232
REGULATED PLANT					
13 Total Telecommunications Plant	5,097,714	5,158,894	5,166,639	5,296,924	5,236,759
14 Less: Accumulated Depr and Amort.	4,034,403	4,018,939	4,015,865	3,885,735	3,629,725
15 Net Regulated Plant	1,063,311	1,139,955	1,150,774	1,411,189	1,607,034
16 Total Assets & Other Debits	\$5,503,815	\$5,109,416	\$4,862,424	\$4,932,113	\$5,139,458
CURRENT LIABILITIES					
17 Accounts Payable	1,486,369	1,289,007	999,184	\$994,100	\$867,140
18 Notes Payable	207,000	327,000	386,000	436,000	410,000
19 Advanced Billings					
20 Customer Deposits			140		
21 Current Maturities - Long-Term Debt	7,354	6,872	6,421	55,825	122,879
22 Current Deferred Income Taxes					
23 Other Current Liabilities	137,212	120,683	128,594	(123,178)	(51,806)
24 Total Current Liabilities	1,837,935	1,743,562	1,520,339	1,362,747	1,348,213
LONG-TERM DEBT					
25 Long-Term Debt	15,539	22,882	29,767	25,041	80,751
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	197,496	188,194	169,555	226,573	250,193
28 Other Deferred Credits	851,566	820,710	827,616	835,228	838,762
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	310,192	310,192	310,192	485,524	472,087
31 Total Other Liab. and Def. Credits	1,359,254	1,319,096	1,307,363	1,547,325	1,561,042
STOCKHOLDER'S EQUITY					
32 Common Stock	60,000	60,000	60,000	60,000	60,000
33 Preferred Stock					
34 Other Paid in Capital	(950,752)	(950,752)	(950,752)	(950,752)	(950,752)
35 Retained Earnings	3,181,839	2,914,628	2,895,707	2,887,752	3,040,204
36 Total Stockholder's Equity	2,291,087	2,023,876	2,004,955	1,997,000	2,149,452
37 Total Liab. and Stockholder's Equity	\$5,503,815	\$5,109,416	\$4,862,424	\$4,932,113	\$5,139,458

Hancock Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$391,162	\$357,615	\$351,851	\$337,473	\$328,758	1
Network Access Services	1,173,379	1,091,985	1,173,285	1,254,363	1,381,003	2
Long Distance Network Services	36	143	139	127	259	3
Miscellaneous Revenues	137,894	83,134	87,440	97,827	100,972	4
Less: Uncollectible Revenues	1,200	1,200	34	1,200	1,200	5
Total Operating Revenues	1,701,271	1,531,677	1,612,681	1,688,590	1,809,792	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	11,228	12,212	14,937	12,723	12,569	7
General Support Expenses	68,995	65,324	63,030	70,040	89,577	8
Central Office Switching	284,125	260,774	306,978	347,837	322,735	9
Operator Systems Expense						10
Central Office Transmission	60,992	60,433	512	1,415	698	11
Info. Origination/Termination						12
Cable & Wire Facilities	213,139	237,262	242,545	304,252	300,111	13
Total Plant Specific Operations	638,479	636,005	628,002	736,267	725,690	14
Other Plant, Property & Equipment						15
Network Operations	29,715	41,968	38,362	51,819	39,336	16
Access Expense	45,893	42,244	39,126	38,515	30,597	17
Depreciation and Amortization	112,824	123,598	242,660	255,104	281,275	18
Total Plant Non-Specific Operations	188,432	207,810	320,148	345,438	351,208	19
Marketing Expense	9,281	8,439	10,643	12,912	19,086	20
Services Expense	141,827	136,452	135,731	140,903	148,157	21
Total Customer Operations	151,108	144,891	146,374	153,815	167,243	22
Executive & Planning	247,126	266,599	264,341	290,252	295,251	23
General & Administrative	400,207	382,791	367,327	364,577	346,237	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	647,333	649,390	631,668	654,829	641,488	27
Total Operations Expense	1,625,352	1,638,096	1,726,192	1,890,349	1,885,629	28
Other Operating Income & Expenses	35,361					29
State & Local Income Taxes						30
Other Taxes	78,834	74,920	78,015	84,852	90,236	31
Net Operating Income Before FIT	32,446	(181,339)	(191,526)	(286,611)	(166,073)	32
Investment Tax Credits - Net						33
Federal Income Taxes						34
Provision - Def. Operating Income Taxes - Net	7,113	(77,073)	(89,590)	(112,772)	(74,185)	35
Net Operating Income	\$25,333	(\$104,266)	(\$101,936)	(\$173,839)	(\$91,888)	36

Hancock Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$25,333	(\$104,266)	(\$101,936)	(\$173,839)	(\$91,888)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	252	140	327	492	3,469
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	202,838	196,994	109,358	29,968	590
44 Other Non-Operating Income					
45 Special Charges	(65,218)	43,956	(23,639)	(16,013)	(16,249)
46 Total Non-Operating Income & Expenses	268,308	153,178	133,324	46,473	20,308
NON-OPERATING TAXES					
47 Federal Income Taxes	3,433	2,469	2,739	1,413	(2,345)
48 Other					
49 Total Non-Operating Taxes	3,433	2,469	2,739	1,413	(2,345)
50 Income Available Before Interest Charges	290,208	46,443	28,649	(128,779)	(69,235)
INTEREST CHARGES					
51 Interest on Funded Debt	1,789	2,216	3,405	9,605	19,020
52 Other Interest Expense	21,208	25,306	17,289	14,068	11,486
53 Total Interest Charges	22,997	27,522	20,694	23,673	30,506
54 Income Before Extraordinary & Nonreg Items	267,211	18,921	7,955	(152,452)	(99,741)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$267,211	\$18,921	\$7,955	(\$152,452)	(\$99,741)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,125,515	\$1,303,588	\$1,404,991	\$1,587,411	\$1,687,742
60 Transferred from Income	64,373	(178,073)	(101,403)	(182,420)	(100,331)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	1,189,888	1,125,515	1,303,588	1,404,991	1,587,411
66 Appropriated/Undistr Affiliate Retained Earnings	1,991,951	1,789,113	1,592,119	1,482,761	1,452,793
67 Total Retained Earnings	\$3,181,839	\$2,914,628	\$2,895,707	\$2,887,752	\$3,040,204

Margaretville Telephone Co., Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$374,884	\$441,999	\$372,968	\$339,775	\$496,567
2 Accounts Receivable (Net)	396,809	322,667	433,546	525,788	481,655
3 Current Deferred Income Taxes	6,629	6,205	5,739	5,236	4,691
4 Other Current Assets	196,381	242,679	219,157	213,816	208,939
5 Total Current Assets	974,703	1,013,550	1,031,410	1,084,615	1,191,852
NON-CURRENT ASSETS					
6 Investments	2,499,670	2,591,011	3,136,320	2,910,987	3,314,176
7 Unamortized Debt Issuance Costs	1,378	1,723	2,066	2,409	2,923
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	58,293	81,610	157,863	74,834	80,294
11 Other Non-Current Assets	1,242,216	1,105,169	998,900	897,553	785,343
12 Total Non-Current Assets	3,801,557	3,779,513	4,295,149	3,885,783	4,182,736
REGULATED PLANT					
13 Total Telecommunications Plant	13,159,600	12,868,633	12,522,868	12,391,830	12,201,727
14 Less: Accumulated Depr and Amort.	11,129,646	10,756,208	10,415,885	10,073,838	9,649,813
15 Net Regulated Plant	2,029,954	2,112,425	2,106,983	2,317,992	2,551,914
16 Total Assets & Other Debits	\$6,806,214	\$6,905,488	\$7,433,542	\$7,288,390	\$7,926,502
CURRENT LIABILITIES					
17 Accounts Payable	\$446,816	\$145,372	\$101,829	\$96,409	\$108,606
18 Notes Payable	50,000	170,000	185,000		
19 Advanced Billings	23,658	24,027	19,758	23,532	24,318
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(75,434)	(18,695)	203,277	36,911	36,872
24 Total Current Liabilities	445,040	320,704	509,864	156,852	169,796
LONG-TERM DEBT					
25 Long-Term Debt	55,218	80,796	105,130	128,294	160,153
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	103,398	117,789	144,035	147,540	175,699
28 Other Deferred Credits	190,970	206,023	220,861	235,507	249,963
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	294,368	323,812	364,896	383,047	425,662
STOCKHOLDER'S EQUITY					
32 Common Stock	130,000	130,000	130,000	130,000	130,000
33 Preferred Stock					
34 Other Paid in Capital	12,074	6,983	6,025	7,973	5,887
35 Retained Earnings	5,869,514	6,043,193	6,317,627	6,482,224	7,035,004
36 Total Stockholder's Equity	6,011,588	6,180,176	6,453,652	6,620,197	7,170,891
37 Total Liab. and Stockholder's Equity	\$6,806,214	\$6,905,488	\$7,433,542	\$7,288,390	\$7,926,502

Margaretville Telephone Co., Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$615,282	\$588,189	\$646,105	\$656,379	\$649,016	1
Network Access Services	1,164,574	1,108,415	1,261,328	1,240,315	1,381,321	2
Long Distance Network Services						3
Miscellaneous Revenues	297,288	296,360	344,405	349,042	376,609	4
Less: Uncollectible Revenues						5
Total Operating Revenues	2,077,144	1,992,964	2,251,838	2,245,736	2,406,946	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	947	3,502		1,096	1,307	7
General Support Expenses	157,166	110,362	196,635	102,314	100,681	8
Central Office Switching	77,834	88,007	91,360	84,846	97,154	9
Operator Systems Expense						10
Central Office Transmission	193,924	156,600	126,247	125,622	135,975	11
Info. Origination/Termination	18,360	17,548	24,182	20,916	17,543	12
Cable & Wire Facilities	167,548	182,182	200,966	135,860	142,610	13
Total Plant Specific Operations	615,779	558,201	639,390	470,654	495,270	14
Other Plant, Property & Equipment						15
Network Operations	253,922	217,465	197,845	176,183	164,041	16
Access Expense	83,395	57,599	56,218	54,746	44,053	17
Depreciation and Amortization	387,848	369,461	414,780	464,658	420,705	18
Total Plant Non-Specific Operations	725,165	644,525	668,843	695,587	628,799	19
Marketing Expense	16,509	19,763	7,307	13,396	12,248	20
Services Expense	306,756	417,329	330,309	333,661	379,801	21
Total Customer Operations	323,265	437,092	337,616	347,057	392,049	22
Executive & Planning	371,213	386,849	358,237	352,480	354,200	23
General & Administrative	511,108	490,915	424,982	385,897	420,900	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	882,321	877,764	783,219	738,377	775,100	27
Total Operations Expense	2,546,530	2,517,582	2,429,068	2,251,675	2,291,218	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	92,944	100,488	117,527	120,944	122,649	31
Net Operating Income Before FIT	(562,330)	(625,106)	(294,757)	(126,883)	(6,921)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(205,307)	(251,029)	(10,412)	(21,113)	(4,722)	34
Provision - Def. Operating Income Taxes - Net	5,880	49,046	(86,033)	(24,319)	1,848	35
Net Operating Income	(\$362,903)	(\$423,123)	(\$198,312)	(\$81,451)	(\$4,047)	36

Margaretville Telephone Co., Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$362,903)	(\$423,123)	(\$198,312)	(\$81,451)	(\$4,047)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	363	289	259	204	185
39 Interest Income	554	955	1,226	1,321	3,209
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	304,238	354,600	245,967	127,555	112,093
44 Other Non-Operating Income	60,044	26,646	17,986	23,451	19,759
45 Special Charges	3,710	4,620	4,170	5,278	6,165
46 Total Non-Operating Income & Expenses	361,489	377,870	261,268	147,253	129,081
NON-OPERATING TAXES					
47 Federal Income Taxes	(1,036)	(1,217)	(974)	(1,303)	(646)
48 Other					
49 Total Non-Operating Taxes	(1,036)	(1,217)	(974)	(1,303)	(646)
50 Income Available Before Interest Charges	(378)	(44,036)	63,930	67,105	125,680
INTEREST CHARGES					
51 Interest on Funded Debt	3,331	4,625	6,974	6,899	9,832
52 Other Interest Expense	(655)	(1,727)	(5,947)	(5,717)	(2,933)
53 Total Interest Charges	2,676	2,898	1,027	1,182	6,899
54 Income Before Extraordinary & Nonreg Items	(3,054)	(46,934)	62,903	65,923	118,781
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$3,054)	(\$46,934)	\$62,903	\$65,923	\$118,781
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$4,869,614	\$5,498,648	\$5,909,212	\$6,589,547	\$6,882,859
60 Transferred from Income	(307,292)	(401,534)	(183,064)	(61,632)	6,688
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	170,625	227,500	227,500	618,703	300,000
64 Adjustments					
65 Ending Year Balance	4,391,697	4,869,614	5,498,648	5,909,212	6,589,547
66 Appropriated/Undistr Affiliate Retained Earnings	1,477,817	1,173,579	818,979	573,012	445,457
67 Total Retained Earnings	\$5,869,514	\$6,043,193	\$6,317,627	\$6,482,224	\$7,035,004

Middleburgh Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$844,960	\$1,079,318	\$957,408	\$1,179,530	\$1,585,978
2 Accounts Receivable (Net)	396,296	448,248	591,925	749,596	989,556
3 Current Deferred Income Taxes	20,934	19,263	17,760	16,396	14,960
4 Other Current Assets	471,913	428,530	440,648	443,780	342,914
5 Total Current Assets	1,734,103	1,975,359	2,007,741	2,389,302	2,933,408
NON-CURRENT ASSETS					
6 Investments	1,547,714	1,647,286	1,777,967	1,866,093	1,987,814
7 Unamortized Debt Issuance Costs	3,510	4,073	4,636	5,199	5,774
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1,524,874	1,431,835	1,376,408	951,950	692,016
11 Other Non-Current Assets	1,416,690	1,416,690	1,416,690	1,416,690	1,416,690
12 Total Non-Current Assets	4,492,788	4,499,884	4,575,701	4,239,932	4,102,294
REGULATED PLANT					
13 Total Telecommunications Plant	24,654,441	24,146,429	23,907,710	23,248,706	22,185,653
14 Less: Accumulated Depr and Amort.	20,167,615	19,493,098	18,516,868	17,847,674	17,136,424
15 Net Regulated Plant	4,486,826	4,653,331	5,390,842	5,401,032	5,049,229
16 Total Assets & Other Debits	\$10,713,717	\$11,128,574	\$11,974,284	\$12,030,266	\$12,084,931
CURRENT LIABILITIES					
17 Accounts Payable	\$319,076	\$396,412	\$326,970	\$260,815	\$215,709
18 Notes Payable					
19 Advanced Billings	50	(36)	(73)		
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	167,092	150,751	169,763	(63,409)	71,918
24 Total Current Liabilities	486,218	547,127	496,660	197,406	287,627
LONG-TERM DEBT					
25 Long-Term Debt	874,372	964,877	1,048,844	1,126,773	1,199,096
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	560,038	540,297	722,204	521,432	244,275
28 Other Deferred Credits	1,227,002	1,337,424	1,415,693	1,465,483	1,486,510
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	418,962	536,270	586,110	537,796	492,828
31 Total Other Liab. and Def. Credits	2,206,002	2,413,991	2,724,007	2,524,711	2,223,613
STOCKHOLDER'S EQUITY					
32 Common Stock	64,200	64,200	64,200	64,200	64,200
33 Preferred Stock					
34 Other Paid in Capital	(840,336)	(840,336)	(840,336)	(840,336)	(840,336)
35 Retained Earnings	7,923,261	7,978,715	8,480,909	8,957,512	9,150,731
36 Total Stockholder's Equity	7,147,125	7,202,579	7,704,773	8,181,376	8,374,595
37 Total Liab. and Stockholder's Equity	\$10,713,717	\$11,128,574	\$11,974,284	\$12,030,266	\$12,084,931

Middleburgh Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009
TELEPHONE OPERATING REVENUES					
Local Network Services	\$947,129	\$936,769	\$972,453	\$1,021,348	\$1,076,429
Network Access Services	2,365,336	2,860,083	2,917,962	2,982,137	3,002,508
Long Distance Network Services					
Miscellaneous Revenues	484,379	526,421	519,563	536,181	561,677
Less: Uncollectible Revenues	3,450	50,900	150,200	106,525	71,550
Total Operating Revenues	3,793,394	4,272,373	4,259,778	4,433,141	4,569,064
TELEPHONE OPERATING EXPENSES					
Network Support Expenses	14,619	14,430	17,403	14,694	14,091
General Support Expenses	182,168	176,975	194,560	227,325	279,254
Central Office Switching	233,728	306,075	281,965	186,702	221,500
Operator Systems Expense					
Central Office Transmission	211,360	199,095	168,579	207,829	187,012
Info. Origination/Termination	63,067	106,577	36,401	22,269	26,392
Cable & Wire Facilities	281,694	301,825	318,766	223,818	273,043
Total Plant Specific Operations	986,636	1,104,977	1,017,674	882,637	1,001,292
Other Plant, Property & Equipment	3,656	2,867	2,359	1,617	2,075
Network Operations	192,100	235,167	273,232	285,153	254,335
Access Expense	157,708	126,067	123,002	116,622	92,734
Depreciation and Amortization	663,716	1,262,182	1,045,487	753,199	841,381
Total Plant Non-Specific Operations	1,017,180	1,626,283	1,444,080	1,156,591	1,190,525
Marketing Expense	22,109	28,053	22,799	38,374	36,912
Services Expense	292,674	339,982	369,816	470,070	462,404
Total Customer Operations	314,783	368,035	392,615	508,444	499,316
Executive & Planning	306,082	437,404	561,870	599,628	495,975
General & Administrative	775,764	770,409	764,275	700,589	786,755
Provision - Uncollectible Notes Rec.					
Other					
Total Corporate Operations	1,081,846	1,207,813	1,326,145	1,300,217	1,282,730
Total Operations Expense	3,400,445	4,307,108	4,180,514	3,847,889	3,973,863
Other Operating Income & Expenses					
State & Local Income Taxes					
Other Taxes	320,015	315,301	310,904	301,695	310,325
Net Operating Income Before FIT	72,934	(350,036)	(231,640)	283,557	284,876
Investment Tax Credits - Net					
Federal Income Taxes					(11,893)
Provision - Def. Operating Income Taxes - Net	11,242	(124,435)	(88,131)	64,639	85,886
Net Operating Income	\$61,692	(\$225,601)	(\$143,509)	\$218,918	\$210,883

Middleburgh Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$61,692	(\$225,601)	(\$143,509)	\$218,918	\$210,883
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	1,850	1,988	2,756	6,412	11,228
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					(164)
43 Equity in Earnings of Affiliated Companies	428	(100,681)	(67,857)	(121,721)	(108,695)
44 Other Non-Operating Income	(104,600)	(109,188)	(129,229)	(109,578)	(122,929)
45 Special Charges	18,949	21,191	17,903	45,585	42,062
46 Total Non-Operating Income & Expenses	(121,271)	(229,072)	(212,233)	(270,472)	(262,622)
NON-OPERATING TAXES					
47 Federal Income Taxes	(38,738)	(42,295)	(40,985)	(48,852)	(50,985)
48 Other					
49 Total Non-Operating Taxes	(38,738)	(42,295)	(40,985)	(48,852)	(50,985)
50 Income Available Before Interest Charges	(20,841)	(412,378)	(314,757)	(2,702)	(754)
INTEREST CHARGES					
51 Interest on Funded Debt	69,260	75,808	81,860	87,477	97,828
52 Other Interest Expense	(34,647)	(29,130)	(18,614)	4,440	14,065
53 Total Interest Charges	34,613	46,678	63,246	91,917	111,893
54 Income Before Extraordinary & Nonreg Items	(55,454)	(459,056)	(378,003)	(94,619)	(112,647)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$55,454)	(\$459,056)	(\$378,003)	(\$94,619)	(\$112,647)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$9,959,981	\$10,361,494	\$10,770,240	\$10,841,738	\$10,944,290
60 Transferred from Income	(55,882)	(358,375)	(310,146)	27,102	(3,952)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock		43,138	98,600	98,600	98,600
64 Adjustments					
65 Ending Year Balance	9,904,099	9,959,981	10,361,494	10,770,240	10,841,738
66 Appropriated/Undistr Affiliate Retained Earnings	(1,980,838)	(1,981,266)	(1,880,585)	(1,812,728)	(1,691,007)
67 Total Retained Earnings	\$7,923,261	\$7,978,715	\$8,480,909	\$8,957,512	\$9,150,731

Verizon Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$37,132,690	\$12,404,341	\$5,265,453	(\$0)	\$258,820
2 Accounts Receivable (Net)	949,314,749	901,353,777	838,899,803	846,650,940	884,593,642
3 Current Deferred Income Taxes					
4 Other Current Assets	185,186,125	111,430,766	123,012,423	124,125,273	176,410,882
5 Total Current Assets	1,171,633,564	1,025,188,884	967,177,679	970,776,212	1,061,263,345
NON-CURRENT ASSETS					
6 Investments	675,614,422	563,736,731	439,357,149	436,712,627	531,841,230
7 Unamortized Debt Issuance Costs	3,512,620	4,940,667	5,144,330	6,103,024	6,962,850
8 Deferred Charges	94,450,169	99,305,912	97,493,072	83,232,170	89,836,693
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	34,012,046	50,490,864	248,439,490	471,549,127	490,517,661
12 Total Non-Current Assets	807,589,257	718,474,174	790,434,041	997,596,948	1,119,158,435
REGULATED PLANT					
13 Total Telecommunications Plant	27,878,850,923	27,142,402,223	29,803,697,976	29,685,669,682	31,318,953,310
14 Less: Accumulated Depr and Amort.	17,362,412,817	16,654,671,344	19,187,261,951	19,126,125,850	20,840,004,083
15 Net Regulated Plant	10,516,438,106	10,487,730,879	10,616,436,025	10,559,543,832	10,478,949,227
16 Total Assets & Other Debits	\$12,495,660,925	\$12,231,393,937	\$12,374,047,745	\$12,527,916,992	\$12,659,371,007
CURRENT LIABILITIES					
17 Accounts Payable	\$703,040,572	\$471,873,579	\$554,561,533	516,354,150	\$498,764,485
18 Notes Payable	7,306,985,913	7,132,715,795	5,437,338,477	3,618,653,984	3,300,469,580
19 Advanced Billings	134,213,371	166,859,324	169,589,740	159,344,984	152,987,435
20 Customer Deposits	4,135,855	4,459,373	3,445,603	7,960,651	7,404,707
21 Current Maturities - Long-Term Debt	1,856,226	201,188,915	1,319,039	1,278,124	401,121,571
22 Current Deferred Income Taxes	(14,613,468)	(354,941,136)	(331,683,644)	(103,614,791)	(96,139,144)
23 Other Current Liabilities	344,405,559	37,734,471	159,723,435	414,784,399	542,387,579
24 Total Current Liabilities	8,480,024,028	7,659,890,320	5,994,294,183	4,614,761,501	4,806,996,212
LONG-TERM DEBT					
25 Long-Term Debt	599,210,014	1,049,886,042	1,250,713,781	2,250,735,680	2,251,102,617
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC	10,718,461	12,381,134	14,043,807	16,787,001	17,369,153
27 Non-Current Deferred Taxes	553,496,771	(297,609,760)	123,973,310	269,720,558	86,850,059
28 Other Deferred Credits	120,456,280	171,056,892	203,898,912	283,425,357	253,118,877
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	6,224,288,210	7,841,948,701	7,157,677,788	5,945,289,620	4,473,303,329
31 Total Other Liab. and Def. Credits	6,908,959,722	7,727,776,966	7,499,593,817	6,515,222,536	4,830,641,417
STOCKHOLDER'S EQUITY					
32 Common Stock	1,000,010	1,000,010	1,000,010	1,000,010	1,000,010
33 Preferred Stock	0				
34 Other Paid in Capital	4,365,971,618	4,365,667,928	4,365,667,928	4,245,328,446	4,783,857,776
35 Retained Earnings	(7,859,504,468)	(8,572,827,328)	(6,737,221,974)	(5,099,131,180)	(4,014,227,025)
36 Total Stockholder's Equity	(3,492,532,839)	(4,206,159,390)	(2,370,554,036)	(852,802,724)	770,630,761
37 Total Liab. and Stockholder's Equity	\$12,495,660,925	\$12,231,393,938	\$12,374,047,745	\$12,527,916,992	\$12,659,371,007

Verizon Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,217,628,247	\$1,375,749,352	\$1,542,931,776	\$1,730,932,492	\$1,976,603,179	1
Network Access Services	2,247,411,038	2,165,171,279	2,132,670,734	2,109,161,592	2,120,781,198	2
Long Distance Network Services	105,284,737	90,956,878	100,889,165	112,868,052	130,272,806	3
Miscellaneous Revenues	1,565,253,339	1,442,628,833	1,269,508,513	1,083,515,337	1,014,909,181	4
Less: Uncollectible Revenues	25,985,324	35,497,135	24,168,004	54,132,700	66,609,686	5
Total Operating Revenues	5,109,592,037	5,039,009,207	5,021,832,184	4,982,344,773	5,175,956,679	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	55,325,428	57,626,127	8,289,739	3,764,606	6,596,203	7
General Support Expenses	417,500,642	364,800,535	351,034,283	380,129,286	396,271,124	8
Central Office Switching	122,052,642	150,105,008	148,641,162	191,770,638	218,619,722	9
Operator Systems Expense	77,663	250,669	117,473	209,756	138,541	10
Central Office Transmission	133,349,251	120,852,568	113,405,060	135,069,457	136,239,381	11
Info. Origination/Termination	1,068,948,129	1,024,578,129	887,556,211	794,069,743	621,786,502	12
Cable & Wire Facilities	527,780,429	817,670,676	872,755,212	908,208,176	1,188,785,494	13
Total Plant Specific Operations	2,325,034,184	2,535,883,714	2,381,799,140	2,413,221,662	2,568,436,967	14
Other Plant, Property & Equipment	421,910	2,766,579	1,357,023	1,075,988	11,441,664	15
Network Operations	626,917,693	577,354,548	629,624,736	1,653,314,219	602,872,014	16
Access Expense	115,471,590	127,186,268	89,991,000	89,744,189	110,362,863	17
Depreciation and Amortization	1,020,469,494	1,172,416,444	1,213,505,532	1,217,966,993	1,229,000,198	18
Total Plant Non-Specific Operations	1,763,280,688	1,879,723,840	1,934,478,291	2,962,101,389	1,953,676,738	19
Marketing Expense	355,760,138	294,617,169	298,809,933	306,953,486	327,130,078	20
Services Expense	400,728,960	393,385,289	445,653,625	561,055,928	567,002,282	21
Total Customer Operations	756,489,098	688,002,459	744,463,558	868,009,414	894,132,361	22
Executive & Planning	25,810,748	30,695,042	28,692,957	29,954,221	48,586,521	23
General & Administrative	(1,055,985,799)	2,522,297,850	2,299,701,281	966,489,217	827,701,635	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	(1,030,175,050)	2,552,992,892	2,328,394,238	996,443,439	876,288,156	27
Total Operations Expense	3,814,628,919	7,656,602,903	7,389,135,227	7,239,775,904	6,292,534,222	28
Other Operating Income & Expenses	83,389,463	6,799,811	25,400,215	66,444,250	37,405,368	29
State & Local Income Taxes	(42,582,653)	(54,228,595)	(5,025,951)	(12,446,099)	(8,832,103)	30
Other Taxes	449,964,142	409,103,078	463,372,993	420,077,795	450,691,662	31
Net Operating Income Before FIT	970,971,092	(2,965,668,368)	(2,800,249,870)	(2,598,618,577)	(1,521,031,734)	32
Investment Tax Credits - Net	1,662,673	1,662,674	2,743,195	582,153	1,811,397	33
Federal Income Taxes	(944,360,881)	(810,505,222)	(685,586,990)	(1,065,904,580)	(793,717,459)	34
Provision - Def. Operating Income Taxes - Net	1,176,792,492	(349,474,825)	(373,816,100)	92,106,901	126,980,952	35
Net Operating Income	\$740,202,154	(\$1,804,025,648)	(\$1,738,103,585)	(\$1,624,238,746)	(\$852,483,830)	36

Verizon Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$740,202,154	(\$1,804,025,648)	(\$1,738,103,585)	(\$1,624,238,746)	(\$852,483,830)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	541,200	541,235	(21,197,867)	4,242,021	411,903
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	15,282,099	14,694,534	17,632,408	13,991,889	16,126,829
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	411,877,690	332,382,004	426,644,522	488,800,727	563,961,041
44 Other Non-Operating Income	(66,127,359)	(55,041,500)	(18,413,876)	(14,786,388)	(14,277,797)
45 Special Charges	6,585,608	12,751,242	5,686,851	8,087,887	8,032,330
46 Total Non-Operating Income & Expenses	354,988,022	279,825,031	398,978,336	484,160,363	558,189,647
NON-OPERATING TAXES					
47 Federal Income Taxes	19,533,116	(23,671,921)	(7,963,079)	(998,625)	(1,682,069)
48 Other	1,360,247	(58,069,079)	3,869,557	3,945,956	3,804,125
49 Total Non-Operating Taxes	20,893,363	(81,741,000)	(4,093,522)	2,947,331	2,122,056
50 Income Available Before Interest Charges	1,074,296,814	(1,442,459,617)	(1,335,031,727)	(1,143,025,714)	(296,416,239)
INTEREST CHARGES					
51 Interest on Funded Debt	76,747,810	88,486,176	151,538,961	169,908,763	186,170,072
52 Other Interest Expense	284,226,140	231,838,138	151,520,105	171,234,373	108,588,380
53 Total Interest Charges	360,973,951	320,324,314	303,059,066	341,143,136	294,758,451
54 Income Before Extraordinary & Nonreg Items	713,322,863	(1,762,783,931)	(1,638,090,793)	(1,484,168,850)	(591,174,690)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$713,322,863	(\$1,762,783,931)	(\$1,638,090,793)	(\$1,484,168,850)	(\$591,174,690)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$9,071,563,769)	(\$7,111,576,411)	(\$5,466,841,095)	(\$4,477,065,544)	(\$4,141,856,259)
60 Transferred from Income	301,445,171	(2,095,165,935)	(2,064,735,313)	(1,972,969,577)	(1,155,135,731)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments	300,000,000	135,178,577	419,999,997	983,194,026	819,926,447
65 Ending Year Balance	(8,470,118,599)	(9,071,563,769)	(7,111,576,411)	(5,466,841,095)	(4,477,065,544)
66 Appropriated/Undistr Affiliate Retained Earnings	610,614,131	498,736,441	374,354,437	367,709,915	462,838,518
67 Total Retained Earnings	(\$7,859,504,468)	(\$8,572,827,328)	(\$6,737,221,974)	(\$5,099,131,180)	(\$4,014,227,025)

Newport Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$400,095	\$410,867	\$345,011	\$378,672	\$195,578
2 Accounts Receivable (Net)	125,555	147,421	167,734	175,872	185,255
3 Current Deferred Income Taxes					
4 Other Current Assets	140,321	137,474	135,479	163,709	169,978
5 Total Current Assets	665,971	695,762	648,224	718,253	550,811
NON-CURRENT ASSETS					
6 Investments	2,812,436	2,600,835	2,905,114	2,240,185	2,237,447
7 Unamortized Debt Issuance Costs	1,404	1,620	1,836	2,052	4,775
8 Deferred Charges	5,922	5,621	6,425	4,861	4,981
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	486,675	581,115	388,863	517,549	518,830
11 Other Non-Current Assets	19,810	17,771	15,786	13,889	12,071
12 Total Non-Current Assets	3,326,247	3,206,962	3,318,024	2,778,536	2,778,104
REGULATED PLANT					
13 Total Telecommunications Plant	11,480,499	11,481,831	11,397,962	11,272,940	11,153,316
14 Less: Accumulated Depr and Amort.	9,297,324	9,154,575	8,932,359	8,576,991	8,101,865
15 Net Regulated Plant	2,183,175	2,327,256	2,465,603	2,695,949	3,051,451
16 Total Assets & Other Debits	\$6,175,393	\$6,229,980	\$6,431,851	\$6,192,738	\$6,380,366
CURRENT LIABILITIES					
17 Accounts Payable	\$224,287	\$55,443	\$483,214	\$162,835	\$73,822
18 Notes Payable					
19 Advanced Billings	5,844	5,322	7,573	8,165	10,530
20 Customer Deposits	325	425	650	700	850
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(97,823)	(11,102)	(63,019)	(52,986)	(140,443)
24 Total Current Liabilities	132,633	50,088	428,418	118,714	(55,241)
LONG-TERM DEBT					
25 Long-Term Debt	516,792	595,292	673,792	752,292	805,387
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	393,745	387,310	391,101	393,027	417,775
28 Other Deferred Credits	197,488	232,463	267,406	334,682	364,259
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	1,227,478	1,410,825	844,319	1,104,758	1,120,195
31 Total Other Liab. and Def. Credits	1,818,711	2,030,598	1,502,826	1,832,467	1,902,229
STOCKHOLDER'S EQUITY					
32 Common Stock	119,650	119,650	119,650	119,650	119,650
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	3,587,607	3,434,352	3,707,165	3,369,615	3,608,341
36 Total Stockholder's Equity	3,707,257	3,554,002	3,826,815	3,489,265	3,727,991
37 Total Liab. and Stockholder's Equity	\$6,175,393	\$6,229,980	\$6,431,851	\$6,192,738	\$6,380,366

Newport Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$893,624	\$968,421	\$1,027,691	\$959,945	\$1,127,731	1
Network Access Services	744,518	825,384	917,463	880,984	945,986	2
Long Distance Network Services	103,056	103,056	103,056	103,056	32,776	3
Miscellaneous Revenues	597,518	564,281	597,637	602,863	423,664	4
Less: Uncollectible Revenues	3,750	7,500	9,000	6,000	5,500	5
Total Operating Revenues	2,334,966	2,453,642	2,636,847	2,540,848	2,524,657	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	5,446	4,935	7,333	4,793	4,637	7
General Support Expenses	89,022	77,563	111,815	83,773	89,888	8
Central Office Switching	199,363	241,860	222,869	213,828	202,282	9
Operator Systems Expense						10
Central Office Transmission	73,555	37,905	60,072	61,888	55,457	11
Info. Origination/Termination	15,393	20,235	26,092	20,970	28,804	12
Cable & Wire Facilities	195,826	152,900	145,957	143,018	157,568	13
Total Plant Specific Operations	578,605	535,398	574,138	528,270	538,636	14
Other Plant, Property & Equipment						15
Network Operations	124,277	108,107	115,179	113,599	125,343	16
Access Expense	64,716	81,069	75,893	69,228	57,749	17
Depreciation and Amortization	315,365	324,311	406,963	511,246	563,765	18
Total Plant Non-Specific Operations	504,358	513,487	598,035	694,073	746,857	19
Marketing Expense	30,641	32,257	31,256	30,662	30,453	20
Services Expense	398,902	425,330	409,690	414,164	460,691	21
Total Customer Operations	429,543	457,587	440,946	444,826	491,144	22
Executive & Planning	500,614	513,331	439,330	464,136	544,126	23
General & Administrative	596,513	564,207	561,802	555,039	521,529	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,097,127	1,077,538	1,001,132	1,019,175	1,065,655	27
Total Operations Expense	2,609,633	2,584,010	2,614,251	2,686,344	2,842,292	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	144,278	141,549	144,176	168,103	174,985	31
Net Operating Income Before FIT	(418,945)	(271,917)	(121,580)	(313,599)	(492,620)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(125,714)	(89,459)	(67,393)	(65,119)	(167,499)	34
Provision - Def. Operating Income Taxes - Net	(18,215)	(13,312)	15,823	(42,935)	(43,836)	35
Net Operating Income	(\$275,016)	(\$169,146)	(\$70,010)	(\$205,545)	(\$281,285)	36

Newport Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$275,016)	(\$169,146)	(\$70,010)	(\$205,545)	(\$281,285)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	12,787	7,400		95	
39 Interest Income	37,586	42,967	28,278	15,673	30,427
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	174,516	231,008	182,355	(47,447)	25,744
44 Other Non-Operating Income	16,233	18,254	28,093	21,253	(55,911)
45 Special Charges	4,091	4,683	3,098	3,613	6,031
46 Total Non-Operating Income & Expenses	237,031	294,946	235,628	(14,039)	(5,771)
NON-OPERATING TAXES					
47 Federal Income Taxes	17,091	17,587	13,934	6,194	(20,482)
48 Other					
49 Total Non-Operating Taxes	17,091	17,587	13,934	6,194	(20,482)
50 Income Available Before Interest Charges	(55,076)	108,213	151,684	(225,778)	(266,574)
INTEREST CHARGES					
51 Interest on Funded Debt	22,621	26,080	29,248	47,974	61,925
52 Other Interest Expense	223	233	233	2,764	2,922
53 Total Interest Charges	22,844	26,313	29,481	50,738	64,847
54 Income Before Extraordinary & Nonreg Items	(77,920)	81,900	122,203	(276,516)	(331,421)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$77,920)	\$81,900	\$122,203	(\$276,516)	(\$331,421)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$6,785)	\$497,036	\$341,841	\$533,120	\$933,574
60 Transferred from Income	(252,436)	(149,108)	(60,152)	(229,069)	(357,165)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments	231,175	(354,713)	215,347	37,790	(43,289)
65 Ending Year Balance	(28,046)	(6,785)	497,036	341,841	533,120
66 Appropriated/Undistr Affiliate Retained Earnings	3,615,653	3,441,137	3,210,129	3,027,774	3,075,221
67 Total Retained Earnings	\$3,587,607	\$3,434,352	\$3,707,165	\$3,369,615	\$3,608,341

Nicholville Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	(\$10,262)	\$3,933	\$42,053	\$128,098	\$115,986
2 Accounts Receivable (Net)	51,673	676,419	598,086	370,223	296,236
3 Current Deferred Income Taxes					
4 Other Current Assets	193,989	169,026	188,155	189,347	212,929
5 Total Current Assets	235,400	849,378	828,294	687,668	625,151
NON-CURRENT ASSETS					
6 Investments	1,777,977	896,137	568,937	1,024,964	939,587
7 Unamortized Debt Issuance Costs	4,259	5,081	5,903	6,895	8,014
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1,035,282	872,364	778,359	679,723	644,451
11 Other Non-Current Assets					
12 Total Non-Current Assets	2,817,518	1,773,582	1,353,199	1,711,582	1,592,052
REGULATED PLANT					
13 Total Telecommunications Plant	9,824,069	9,921,034	9,860,287	9,852,205	9,988,951
14 Less: Accumulated Depr and Amort.	8,342,256	8,135,383	7,844,470	7,573,937	7,491,166
15 Net Regulated Plant	1,481,813	1,785,650	2,015,817	2,278,268	2,497,785
16 Total Assets & Other Debits	\$4,534,730	\$4,408,610	\$4,197,310	\$4,677,518	\$4,714,988
CURRENT LIABILITIES					
17 Accounts Payable	\$996,917	\$562,337	\$645,485	\$508,217	\$202,622
18 Notes Payable	352,397	934,207	31,387	49,890	27,205
19 Advanced Billings					
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	162,025	177,830	168,395	180,100	239,263
22 Current Deferred Income Taxes					
23 Other Current Liabilities	198,859	188,495	156,088	172,521	141,966
24 Total Current Liabilities	1,710,198	1,862,869	1,001,355	910,728	611,056
LONG-TERM DEBT					
25 Long-Term Debt	996,057	1,119,713	1,148,343	1,316,784	1,498,984
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	171,891	235,401	270,780	289,363	299,033
28 Other Deferred Credits	473,822	535,786	650,107	782,353	905,649
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	645,713	771,187	920,887	1,071,716	1,204,682
STOCKHOLDER'S EQUITY					
32 Common Stock	41,000	41,000	41,000	41,000	41,000
33 Preferred Stock	100,000	100,000	100,000	100,000	100,000
34 Other Paid in Capital	(297,908)	(186,518)		(682,108)	(682,108)
35 Retained Earnings	1,339,671	700,358	985,724	1,919,398	1,941,374
36 Total Stockholder's Equity	1,182,762	654,840	1,126,724	1,378,290	1,400,266
37 Total Liab. and Stockholder's Equity	\$4,534,730	\$4,408,610	\$4,197,309	\$4,677,518	\$4,714,988

Nicholville Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$482,126	\$537,768	\$585,320	\$605,797	\$667,164	1
Network Access Services	571,503	658,793	686,712	1,464,435	1,505,914	2
Long Distance Network Services	31,141	194,271	390,405			3
Miscellaneous Revenues	95,116	70,239	89,638	101,530	128,396	4
Less: Uncollectible Revenues	(164)	(16)	5,815	14,575	23,941	5
Total Operating Revenues	1,180,051	1,461,087	1,746,260	2,157,188	2,277,533	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	3,955	2,973	18,013	12,455	8,418	7
General Support Expenses	170,935	177,114	140,801	217,813	247,348	8
Central Office Switching	53,151	174,486	247,228	274,221	286,700	9
Operator Systems Expense						10
Central Office Transmission	22,943	46,268	26,893	17,558	31,290	11
Info. Origination/Termination	18,612	37,637	8,731	8,164	12,464	12
Cable & Wire Facilities	75,941	57,327	94,228	124,295	285,543	13
Total Plant Specific Operations	345,537	495,806	535,894	654,507	871,763	14
Other Plant, Property & Equipment	5,027	2,020	194	(724)	754	15
Network Operations	98,606	63,331	100,034	191,728	224,149	16
Access Expense	32,418	34,247	38,588	31,283	25,204	17
Depreciation and Amortization	271,068	261,668	257,511	259,412	265,627	18
Total Plant Non-Specific Operations	407,119	361,265	396,327	481,699	515,734	19
Marketing Expense	5,755	2,868	2,057	2,485	1,713	20
Services Expense	219,828	217,570	217,503	223,290	254,211	21
Total Customer Operations	225,583	220,438	219,560	225,775	255,924	22
Executive & Planning	241,862	178,586	304,143	126,714	152,263	23
General & Administrative	320,343	326,944	340,554	534,711	513,012	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	562,205	505,530	644,697	661,425	665,275	27
Total Operations Expense	1,540,443	1,583,039	1,796,478	2,023,406	2,308,696	28
Other Operating Income & Expenses				4,010		29
State & Local Income Taxes						30
Other Taxes	95,404	125,670	133,788	139,883	151,966	31
Net Operating Income Before FIT	(455,797)	(247,622)	(184,006)	(2,091)	(183,129)	32
Investment Tax Credits - Net						33
Federal Income Taxes			17,621	117	1,377	34
Provision - Def. Operating Income Taxes - Net	(224,756)	(125,774)	(116,787)	(54,578)	(105,690)	35
Net Operating Income	(\$231,041)	(\$121,848)	(\$84,840)	\$52,370	(\$78,816)	36

Nicholville Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$231,041)	(\$121,848)	(\$84,840)	\$52,370	(\$78,816)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income				43	79
39 Interest Income	11	61	346	628	6,295
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	1,006,495	(28,510)	(440,601)	75,168	(6,380)
44 Other Non-Operating Income		(1,430)			(1,614)
45 Special Charges	(1,945)	14,733	15,915	14,116	16,167
46 Total Non-Operating Income & Expenses	1,008,451	(44,612)	(456,170)	61,723	(17,787)
NON-OPERATING TAXES					
47 Federal Income Taxes	(1,125)	(1,057)	(432)	1,422	947
48 Other				840	903
49 Total Non-Operating Taxes	(1,125)	(1,057)	(432)	2,262	1,850
50 Income Available Before Interest Charges	778,536	(165,403)	(540,578)	111,830	(98,453)
INTEREST CHARGES					
51 Interest on Funded Debt	59,109	71,517	83,332	97,404	112,085
52 Other Interest Expense	74,190	42,445	13,743	28,336	16,577
53 Total Interest Charges	133,299	113,962	97,075	125,740	128,662
54 Income Before Extraordinary & Nonreg Items	645,237	(279,365)	(637,653)	(13,909)	(227,115)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$645,237	(\$279,365)	(\$637,653)	(\$13,909)	(\$227,115)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,280,938	\$1,537,792	\$2,030,866	\$2,128,011	\$2,378,114
60 Transferred from Income	(361,259)	(250,854)	(197,053)	(89,077)	(242,036)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock	6,000	6,000	6,000	6,000	6,000
63 Common Stock			1,034	2,067	2,067
64 Adjustments	76		(288,987)		
65 Ending Year Balance	913,755	1,280,938	1,537,792	2,030,866	2,128,011
66 Appropriated/Undistr Affiliate Retained Earnings	425,916	(580,580)	(552,070)	(111,469)	(186,637)
67 Total Retained Earnings	\$1,339,671	\$700,358	\$985,722	\$1,919,397	\$1,941,374

**Ogden Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments				(\$1,532)	(\$5,041)
2 Accounts Receivable (Net)	1,497,492	\$1,727,791	\$1,589,578	1,598,620	2,064,627
3 Current Deferred Income Taxes					
4 Other Current Assets					
5 Total Current Assets	1,497,492	1,727,791	1,589,578	1,597,088	2,059,585
NON-CURRENT ASSETS					
6 Investments	26,936,469	30,590,310	26,026,093	23,642,508	21,828,996
7 Unamortized Debt Issuance Costs				4,550	14,810
8 Deferred Charges	864,449	864,879	864,879	864,845	864,879
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	129,110	129,110	129,110	129,110	129,110
12 Total Non-Current Assets	27,930,028	31,584,299	27,020,082	24,641,012	22,837,795
REGULATED PLANT					
13 Total Telecommunications Plant	48,366,706	48,286,747	47,619,193	47,030,296	46,510,739
14 Less: Accumulated Depr and Amort.	40,800,406	39,885,623	37,928,414	35,826,592	33,756,769
15 Net Regulated Plant	7,566,300	8,401,124	9,690,779	11,203,704	12,753,970
16 Total Assets & Other Debits	\$36,993,820	\$41,713,214	\$38,300,439	\$37,441,804	\$37,651,351
CURRENT LIABILITIES					
17 Accounts Payable	\$1,155,717	\$6,155,130	\$2,702,201	\$1,185,725	\$1,271,553
18 Notes Payable					
19 Advanced Billings	116,404	115,795	117,210	140,828	141,332
20 Customer Deposits	73				
21 Current Maturities - Long-Term Debt			143,148	670,379	630,693
22 Current Deferred Income Taxes					
23 Other Current Liabilities	121,669	(54,274)	(41,460)	105,286	86,040
24 Total Current Liabilities	1,393,863	6,216,652	2,921,099	2,102,217	2,129,618
LONG-TERM DEBT					
25 Long-Term Debt			359,477	502,624	1,172,862
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	2,725,018	2,897,477	2,976,149	3,054,821	3,133,493
28 Other Deferred Credits	108	46,284	44,079	47,063	48,972
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	2,725,126	2,943,761	3,020,228	3,101,884	3,182,465
STOCKHOLDER'S EQUITY					
32 Common Stock	2,007,694	2,007,694	2,007,694	2,007,694	2,007,694
33 Preferred Stock					
34 Other Paid in Capital	196,769	196,769	196,769	196,769	196,769
35 Retained Earnings	30,670,368	30,348,338	29,795,171	29,530,616	28,961,942
36 Total Stockholder's Equity	32,874,831	32,552,801	31,999,634	31,735,079	31,166,405
37 Total Liab. and Stockholder's Equity	\$36,993,820	\$41,713,214	\$38,300,439	\$37,441,804	\$37,651,351

Ogden Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$2,455,674	\$3,424,300	\$3,586,814	\$3,632,998	\$3,931,949	1
Network Access Services	2,624,035	2,739,148	2,826,636	2,976,182	3,289,929	2
Long Distance Network Services	5,475	9,568	11,870	16,955	23,414	3
Miscellaneous Revenues	1,205,176	1,327,747	1,256,253	1,423,216	1,411,068	4
Less: Uncollectible Revenues	55,382	65,148	55,045	29,749	(117,455)	5
Total Operating Revenues	6,234,978	7,435,614	7,626,528	8,019,602	8,773,815	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	74,843	(596)	93	15,044	1	7
General Support Expenses	294,723	388,024	583,123	467,981	428,952	8
Central Office Switching	315,541	334,918	353,322	333,755	322,983	9
Operator Systems Expense	547	863	7,502	8,786	6,397	10
Central Office Transmission	25,017	25,875	58,226	34,183	30,186	11
Info. Origination/Termination	175,179	133,434	161,395	99,063	109,409	12
Cable & Wire Facilities	458,120	544,499	529,515	557,128	458,079	13
Total Plant Specific Operations	1,343,971	1,427,016	1,693,176	1,515,940	1,356,007	14
Other Plant, Property & Equipment	673	(844)	(23)	5	138	15
Network Operations	565,656	738,901	616,240	569,049	555,354	16
Access Expense	146,464	194,668	232,884	191,114	229,788	17
Depreciation and Amortization	1,399,162	2,076,675	2,158,526	2,128,298	2,095,799	18
Total Plant Non-Specific Operations	2,111,956	3,009,400	3,007,627	2,888,466	2,881,078	19
Marketing Expense	281,436	319,068	332,587	258,382	146,337	20
Services Expense	757,646	643,952	788,008	652,005	619,641	21
Total Customer Operations	1,039,082	963,020	1,120,595	910,388	765,979	22
Executive & Planning	75,147	83,519	125,056	204,667	94,317	23
General & Administrative	545,724	484,682	825,293	951,352	498,329	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	620,871	568,200	950,349	1,156,019	592,645	27
Total Operations Expense	5,115,880	5,967,636	6,771,747	6,470,813	5,595,709	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	593,340	611,984	450,356	627,711	689,284	31
Net Operating Income Before FIT	525,758	855,994	404,425	921,078	2,488,822	32
Investment Tax Credits - Net						33
Federal Income Taxes	100,450	271,940	(162,766)	364,216	480,493	34
Provision - Def. Operating Income Taxes - Net	(172,459)	(263,734)	59,032	(337,464)	157,938	35
Net Operating Income	\$597,767	\$847,788	\$508,159	\$894,326	\$1,850,391	36

Ogden Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$597,767	\$847,788	\$508,159	\$894,326	\$1,850,391
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction		2	6,417	3,043	12,866
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income					
45 Special Charges	105	9,368	3,503	4,121	2,025
46 Total Non-Operating Income & Expenses	(105)	(9,366)	2,914	(1,078)	10,841
NON-OPERATING TAXES					
47 Federal Income Taxes	275,630	271,813	185,925	218,442	218,047
48 Other					
49 Total Non-Operating Taxes	275,630	271,813	185,925	218,442	218,047
50 Income Available Before Interest Charges	322,032	566,609	325,148	674,806	1,643,185
INTEREST CHARGES					
51 Interest on Funded Debt		13,441	56,046	95,872	131,870
52 Other Interest Expense			4,550	10,260	10,261
53 Total Interest Charges		13,441	60,596	106,132	142,131
54 Income Before Extraordinary & Nonreg Items	322,032	553,167	264,552	568,674	1,501,054
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	731,499	832,548	700,810	730,270	
57 Total Extraordinary & Nonregulated Items	731,499	832,548			
58 Net Income	\$1,053,531	\$1,385,716	\$264,552	\$568,674	\$1,501,054
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$30,348,336	\$29,795,168	\$29,530,616	\$28,961,942	\$27,460,888
60 Transferred from Income	322,032	553,167	264,552	568,674	1,501,054
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	30,670,368	30,348,336	29,795,168	29,530,616	28,961,942
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$30,670,368	\$30,348,336	\$29,795,171	\$29,530,616	\$28,961,942

**Oneida County Rural Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$662,422	\$914,633	\$538,817	\$1,014,303	\$1,039,444
2 Accounts Receivable (Net)	2,046,301	1,948,165	1,645,142	1,515,190	1,129,383
3 Current Deferred Income Taxes					
4 Other Current Assets	1,817,894	1,997,190	471,374	285,525	232,006
5 Total Current Assets	4,526,617	4,859,988	2,655,333	2,815,018	2,400,833
NON-CURRENT ASSETS					
6 Investments	4,895,346	4,701,154	5,623,624	5,297,562	5,055,119
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	661,068	862,443	682,379	622,861	537,839
11 Other Non-Current Assets	2,921,286	2,690,401	3,237,147	3,118,121	3,010,719
12 Total Non-Current Assets	8,477,700	8,253,998	9,543,150	9,038,544	8,603,677
REGULATED PLANT					
13 Total Telecommunications Plant	13,700,710	13,610,053	13,823,094	13,784,397	15,335,235
14 Less: Accumulated Depr and Amort.	10,074,956	9,662,606	9,696,016	9,238,403	10,289,963
15 Net Regulated Plant	3,625,754	3,947,447	4,127,078	4,545,994	5,045,272
16 Total Assets & Other Debits	\$16,630,071	\$17,061,433	\$16,325,561	\$16,399,556	\$16,049,782
CURRENT LIABILITIES					
17 Accounts Payable	\$207,059	\$171,611	\$173,797	\$207,918	\$169,278
18 Notes Payable					
19 Advanced Billings	86,500	83,081	90,320	98,872	96,971
20 Customer Deposits	750	750	750	750	750
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	1,716,949	2,384,372	1,700,344	1,472,524	737,994
24 Total Current Liabilities	2,011,258	2,639,814	1,965,211	1,780,064	1,004,993
LONG-TERM DEBT					
25 Long-Term Debt	3,253,319	3,418,941	3,348,800	3,687,392	3,895,443
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,285,698	1,343,833	994,080	965,912	947,592
28 Other Deferred Credits	231,866	244,807	259,110	304,739	350,370
29 Other Jurisdictional Differences - Net					
30 Other Liabilities		46,000	98,000	150,000	202,000
31 Total Other Liab. and Def. Credits	1,517,564	1,634,640	1,351,190	1,420,651	1,499,962
STOCKHOLDER'S EQUITY					
32 Common Stock	85,100	85,100	85,100	85,100	85,100
33 Preferred Stock	25,150	28,150	33,150	33,350	34,750
34 Other Paid in Capital	(2,131,486)	(2,586,620)	(2,369,939)	(2,311,801)	(2,032,142)
35 Retained Earnings	11,869,166	11,841,408	11,912,049	11,704,800	11,561,676
36 Total Stockholder's Equity	9,847,930	9,368,038	9,660,360	9,511,449	9,649,384
37 Total Liab. and Stockholder's Equity	\$16,630,071	\$17,061,433	\$16,325,561	\$16,399,556	\$16,049,782

Oneida County Rural Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$579,400	\$636,211	\$744,043	\$807,829	\$739,441	1
Network Access Services	1,212,808	1,362,482	1,382,711	1,390,064	1,387,302	2
Long Distance Network Services	241,999	242,330	242,372	230,263	81,887	3
Miscellaneous Revenues	121,947	130,023	466,594	983,660	243,721	4
Less: Uncollectible Revenues	3		15,643	1,440		5
Total Operating Revenues	2,156,151	2,371,046	2,820,077	3,410,376	2,452,351	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	2,226	2,947	4,477	7,343	15,029	7
General Support Expenses	138,948	126,014	131,294	121,051	122,466	8
Central Office Switching	122,014	161,087	133,790	123,395	107,692	9
Operator Systems Expense						10
Central Office Transmission	246,805	219,815	209,235	160,221	179,982	11
Info. Origination/Termination	9,272	10,568	11,052	7,646	16,754	12
Cable & Wire Facilities	134,469	79,250	330,281	706,391	177,570	13
Total Plant Specific Operations	653,734	599,681	820,129	1,126,047	619,493	14
Other Plant, Property & Equipment						15
Network Operations	191,141	177,587	221,989	214,278	182,922	16
Access Expense	46,422	51,349	49,237	49,411	42,175	17
Depreciation and Amortization	594,360	569,901	555,350	586,851	606,765	18
Total Plant Non-Specific Operations	831,923	798,837	826,576	850,540	831,862	19
Marketing Expense	9,670	10,110	9,262	8,013	14,503	20
Services Expense	219,938	216,103	204,155	217,358	226,637	21
Total Customer Operations	229,608	226,213	213,417	225,371	241,140	22
Executive & Planning	104,573	140,886	186,586	160,624	158,878	23
General & Administrative	436,429	471,597	490,765	493,022	481,137	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	541,002	612,483	677,351	653,646	640,015	27
Total Operations Expense	2,256,267	2,237,214	2,537,473	2,855,604	2,332,510	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	187,048	214,451	210,129	211,266	218,124	31
Net Operating Income Before FIT	(287,164)	(80,619)	72,475	343,506	(98,283)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(30,709)	(11,269)	5,144	5,738	(61,930)	34
Provision - Def. Operating Income Taxes - Net	(91,222)	269,310	(7,687)	16,339	(114,120)	35
Net Operating Income	(\$165,233)	(\$338,660)	\$75,018	\$321,429	\$77,767	36

Oneida County Rural Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$165,233)	(\$338,660)	\$75,018	\$321,429	\$77,767
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	116,360	116,882	67,769	23,572	23,763
39 Interest Income	147,436	204,395	158,078	165,948	153,796
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	29,350	(27,200)	115,652	90,425	153,048
44 Other Non-Operating Income	(8,266)	146,708	(57,184)	(21,787)	(120,142)
45 Special Charges	(79,434)	(32,393)	(23,016)	9,777	235,051
46 Total Non-Operating Income & Expenses	364,314	473,178	307,331	248,381	(24,586)
NON-OPERATING TAXES					
47 Federal Income Taxes	33,488	28,280	1,696	80,071	(32,075)
48 Other					
49 Total Non-Operating Taxes	33,488	28,280	1,696	80,071	(32,075)
50 Income Available Before Interest Charges	165,593	106,238	380,653	489,739	85,256
INTEREST CHARGES					
51 Interest on Funded Debt	134,453	173,213	169,334	342,738	220,903
52 Other Interest Expense	76	78	284	64	170
53 Total Interest Charges	134,529	173,291	169,618	342,802	221,073
54 Income Before Extraordinary & Nonreg Items	31,064	(67,053)	211,035	146,937	(135,817)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$31,064	(\$67,053)	\$211,035	\$146,937	(\$135,817)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$9,289,505	\$9,332,946	\$9,241,349	\$9,188,650	\$9,481,403
60 Transferred from Income	1,714	(39,853)	95,383	56,512	(288,865)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock	1,509	1,791	1,989	2,016	2,091
63 Common Stock	1,797	1,797	1,797	1,797	1,797
64 Adjustments					
65 Ending Year Balance	9,287,913	9,289,505	9,332,946	9,241,349	9,188,650
66 Appropriated/Undistr Affiliate Retained Earnings	2,581,253	2,551,903	2,579,103	2,463,451	2,373,026
67 Total Retained Earnings	\$11,869,166	\$11,841,408	\$11,912,049	\$11,704,800	\$11,561,676

Ontario Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$583,441	\$431,099	\$356,302	\$664,568	\$310,926
2 Accounts Receivable (Net)	4,064,744	3,652,004	3,662,148	2,788,734	2,283,622
3 Current Deferred Income Taxes					
4 Other Current Assets	322,837	346,980	357,968	374,078	368,388
5 Total Current Assets	4,971,022	4,430,083	4,376,418	3,827,380	2,962,936
NON-CURRENT ASSETS					
6 Investments	371,037	196,085	147,603	132,201	144,151
7 Unamortized Debt Issuance Costs			1,200	2,400	3,600
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	596,331	577,195	583,430	634,225	589,463
11 Other Non-Current Assets	1,042,022	1,679,888	1,649,756	1,715,653	2,255,350
12 Total Non-Current Assets	2,009,390	2,453,168	2,381,989	2,484,479	2,992,564
REGULATED PLANT					
13 Total Telecommunications Plant	12,854,660	12,840,049	12,947,758	12,848,605	12,520,417
14 Less: Accumulated Depr and Amort.	6,276,308	5,838,830	5,747,843	5,206,547	4,596,333
15 Net Regulated Plant	6,578,352	7,001,219	7,199,915	7,642,058	7,924,084
16 Total Assets & Other Debits	\$13,558,764	\$13,884,470	\$13,958,322	\$13,953,917	\$13,879,584
CURRENT LIABILITIES					
17 Accounts Payable	\$122,406	\$251,614	\$79,964	\$84,822	\$136,301
18 Notes Payable	171,580	97,275	141,851	162,864	239,388
19 Advanced Billings	337,265	369,482	434,968	464,958	118,691
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	154,899	154,899	154,899	154,899	206,532
22 Current Deferred Income Taxes				33,134	
23 Other Current Liabilities	540,490	531,764	518,471	505,523	518,592
24 Total Current Liabilities	1,326,640	1,405,034	1,330,153	1,406,200	1,219,503
LONG-TERM DEBT					
25 Long-Term Debt	258,153	413,052	671,217	826,116	1,032,648
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,839,832	1,881,929	1,893,886	1,846,101	1,854,734
28 Other Deferred Credits	437,801	448,117	415,181	341,666	247,052
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	358,369	370,308	334,447	377,629	369,768
31 Total Other Liab. and Def. Credits	2,636,002	2,700,354	2,643,514	2,565,396	2,471,554
STOCKHOLDER'S EQUITY					
32 Common Stock	115,000	115,000	115,000	115,000	115,000
33 Preferred Stock					
34 Other Paid in Capital	(1,304,680)	(1,334,209)	(1,388,418)	(1,398,151)	(1,463,952)
35 Retained Earnings	10,527,649	10,585,239	10,586,858	10,439,356	10,504,830
36 Total Stockholder's Equity	9,337,969	9,366,030	9,313,440	9,156,205	9,155,878
37 Total Liab. and Stockholder's Equity	\$13,558,764	\$13,884,470	\$13,958,323	\$13,953,917	\$13,879,584

Ontario Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009
TELEPHONE OPERATING REVENUES					
Local Network Services	\$606,612	\$647,669	\$648,937	\$646,084	\$733,704
Network Access Services	2,243,233	2,320,375	2,474,188	2,136,550	2,188,001
Long Distance Network Services					
Miscellaneous Revenues	320,789	477,210	497,142	527,672	569,125
Less: Uncollectible Revenues	8,392	5,492	10,137	14,045	9,887
Total Operating Revenues	3,162,242	3,439,762	3,610,130	3,296,261	3,480,943
TELEPHONE OPERATING EXPENSES					
Network Support Expenses	2,345	596	3,274	6,075	4,146
General Support Expenses	279,898	228,678	206,940	201,644	215,864
Central Office Switching	290,070	321,270	261,490	291,206	315,439
Operator Systems Expense					
Central Office Transmission	83,106	68,907	69,244	68,153	105,073
Info. Origination/Termination	51,039	57,645	56,723	73,391	60,919
Cable & Wire Facilities	199,467	174,643	194,919	156,761	181,360
Total Plant Specific Operations	905,925	851,738	792,590	797,230	882,801
Other Plant, Property & Equipment		0	737	450	1
Network Operations	451,107	492,959	391,896	376,075	247,135
Access Expense	85,888	91,598	83,781	78,170	70,576
Depreciation and Amortization	604,908	594,276	601,433	599,124	592,098
Total Plant Non-Specific Operations	1,141,903	1,178,833	1,077,847	1,053,819	909,810
Marketing Expense	36,053	98,554	121,645	76,779	70,431
Services Expense	243,785	273,413	300,111	340,956	319,150
Total Customer Operations	279,838	371,967	421,756	417,735	389,581
Executive & Planning	334,063	289,994	270,802	298,673	244,259
General & Administrative	706,654	639,754	615,777	608,696	496,581
Provision - Uncollectible Notes Rec. Other					
Total Corporate Operations	1,040,717	929,747	886,579	907,369	740,840
Total Operations Expense	3,368,383	3,332,285	3,178,772	3,176,153	2,923,032
Other Operating Income & Expenses	163			(5)	
State & Local Income Taxes					
Other Taxes	157,413	157,820	162,480	155,480	244,892
Net Operating Income Before FIT	(363,391)	(50,343)	268,878	(35,377)	313,019
Investment Tax Credits - Net					
Federal Income Taxes				9,459	8,151
Provision - Def. Operating Income Taxes - Net	(66,421)	(22,763)	73,308	(33,554)	(28,744)
Net Operating Income	(\$296,970)	(\$27,580)	\$195,570	(\$11,282)	\$333,612

Ontario Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$296,970)	(\$27,580)	\$195,570	(\$11,282)	\$333,612
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	13,403	12,420	13,532	14,875	16,102
39 Interest Income	13,067	13,355	15,426	17,946	13,957
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	5,520	5,228	4,285	3,341	2,991
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	90,010	48,482	16,588	(8,136)	2,923
44 Other Non-Operating Income	112,564	47,484	37,229	39,027	(95,763)
45 Special Charges	26,418	(4,592)	23,593	6,391	(1,035)
46 Total Non-Operating Income & Expenses	208,146	131,561	63,467	60,662	(58,755)
NON-OPERATING TAXES					
47 Federal Income Taxes				155	59,150
48 Other	21,100	16,046	12,307		
49 Total Non-Operating Taxes	21,100	16,046	12,307	155	59,150
50 Income Available Before Interest Charges	(109,924)	87,935	246,730	49,225	215,707
INTEREST CHARGES					
51 Interest on Funded Debt	14,495	35,537	47,603	59,882	72,699
52 Other Interest Expense	3,747	4,945	7,697	11,131	17,373
53 Total Interest Charges	18,242	40,482	55,300	71,013	90,072
54 Income Before Extraordinary & Nonreg Items	(128,166)	47,452	191,430	(21,788)	125,635
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$128,166)	\$47,452	\$191,430	(\$21,788)	\$125,635
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$10,861,896	\$10,863,514	\$10,716,012	\$10,781,486	\$10,704,663
60 Transferred from Income	(218,176)	(1,026)	174,842	(13,652)	122,712
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	48,974	49,073	43,928	43,686	43,531
64 Adjustments	209,468	(48,480)	16,588	(8,135)	(2,357)
65 Ending Year Balance	10,804,214	10,861,896	10,863,514	10,716,012	10,781,486
66 Appropriated/Undistr Affiliate Retained Earnings	(276,565)	(276,656)	(276,656)	(276,656)	(276,656)
67 Total Retained Earnings	\$10,527,649	\$10,585,240	\$10,586,858	\$10,439,356	\$10,504,830

Oriskany Falls Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$392,155	\$788,166	\$774,775	\$756,172	\$1,611,138
2 Accounts Receivable (Net)	34,861	31,342	43,901	119,295	54,369
3 Current Deferred Income Taxes					
4 Other Current Assets	12,287	8,057	8,680	9,446	6,432
5 Total Current Assets	439,303	827,565	827,356	884,913	1,671,939
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	41,205				
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	41,205				
REGULATED PLANT					
13 Total Telecommunications Plant	1,549,771	1,560,656	1,551,816	1,491,894	1,734,756
14 Less: Accumulated Depr and Amort.	862,726	794,646	723,973	636,427	1,134,953
15 Net Regulated Plant	687,045	766,010	827,843	855,467	599,803
16 Total Assets & Other Debits	\$1,167,553	\$1,593,575	\$1,655,199	\$1,740,380	\$2,271,742
CURRENT LIABILITIES					
17 Accounts Payable	\$42,057	\$42,538	\$49,439	48,201	\$41,379
18 Notes Payable					
19 Advanced Billings	4,535	4,407	4,679	4,947	4,804
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes	(1,044)	(1,311)	(1,852)	103	(1,209)
23 Other Current Liabilities	18,065	35,709	90,672	19,064	38,074
24 Total Current Liabilities	63,613	81,343	142,938	72,315	83,048
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	144,374	175,908	172,012	178,672	122,029
28 Other Deferred Credits					
29 Other Jurisdictional Differences - Net					
30 Other Liabilities		(49,988)	(43,139)	(42,768)	(39,441)
31 Total Other Liab. and Def. Credits	144,374	125,920	128,873	135,904	82,588
STOCKHOLDER'S EQUITY					
32 Common Stock	1,490	1,490	1,490	1,490	1,490
33 Preferred Stock					
34 Other Paid in Capital		26,659	23,078	21,865	20,629
35 Retained Earnings	958,076	1,358,163	1,358,820	1,508,806	2,083,987
36 Total Stockholder's Equity	959,566	1,386,312	1,383,388	1,532,161	2,106,106
37 Total Liab. and Stockholder's Equity	\$1,167,553	\$1,593,575	\$1,655,199	\$1,740,380	\$2,271,742

Oriskany Falls Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$106,783	\$111,985	\$143,590	\$160,185	\$181,083	1
Network Access Services	170,784	140,402	181,247	177,722	151,987	2
Long Distance Network Services						3
Miscellaneous Revenues	106,173	104,214	108,377	103,774	96,115	4
Less: Uncollectible Revenues	4,035	9,741	4,721	(2,866)	(2,972)	5
Total Operating Revenues	379,705	346,860	428,493	444,547	432,157	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	643	2,216	408	347	649	7
General Support Expenses	19,941	19,455	23,308	24,501	27,455	8
Central Office Switching	4,369	3,954	5,115	7,533	9,950	9
Operator Systems Expense						10
Central Office Transmission	24,336	16,201	14,143	2,914	2,093	11
Info. Origination/Termination	7,428	9,508	17,525	15,691	16,544	12
Cable & Wire Facilities	14,434	36,285	100,363	41,035	18,411	13
Total Plant Specific Operations	71,151	87,619	160,862	92,021	75,102	14
Other Plant, Property & Equipment						15
Network Operations	41,784	40,017	31,623	32,667	35,762	16
Access Expense	125	1,476	3,819	3,896	3,527	17
Depreciation and Amortization	78,917	78,404	106,226	96,163	87,805	18
Total Plant Non-Specific Operations	120,826	119,897	141,668	132,726	127,094	19
Marketing Expense	23,050	27,232	24,347	25,052	26,764	20
Services Expense	18,493	19,497	21,017	22,579	29,936	21
Total Customer Operations	41,543	46,729	45,364	47,631	56,700	22
Executive & Planning	8,899	10,117	12,700	12,480	9,624	23
General & Administrative	66,556	60,655	62,440	66,074	66,839	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	75,455	70,772	75,140	78,554	76,463	27
Total Operations Expense	308,975	325,017	423,034	350,932	335,359	28
Other Operating Income & Expenses					315	29
State & Local Income Taxes						30
Other Taxes	24,217	25,731	26,733	25,268	32,357	31
Net Operating Income Before FIT	46,513	(3,888)	(21,274)	68,347	64,756	32
Investment Tax Credits - Net						33
Federal Income Taxes	33,212	(3,870)	(1,175)	(32,024)	45,407	34
Provision - Def. Operating Income Taxes - Net	(16,913)	2,509	(5,787)	55,986	(22,711)	35
Net Operating Income	\$30,214	(\$2,527)	(\$14,312)	\$44,385	\$42,060	36

Oriskany Falls Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$30,214	(\$2,527)	(\$14,312)	\$44,385	\$42,060
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	1,328	3,143	4,755	5,972	10,308
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income					
45 Special Charges	252	254	(35,162)	25,289	205
46 Total Non-Operating Income & Expenses	1,076	2,889	39,917	(19,317)	10,103
NON-OPERATING TAXES					
47 Federal Income Taxes	377	1,018	13,590	(6,751)	3,566
48 Other					
49 Total Non-Operating Taxes	377	1,018	13,590	(6,751)	3,566
50 Income Available Before Interest Charges	30,913	(656)	12,015	31,819	48,597
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense		1	1		
53 Total Interest Charges		1	1		
54 Income Before Extraordinary & Nonreg Items	30,913	(657)	12,014	31,819	48,597
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$30,913	(\$657)	\$12,014	\$31,819	\$48,597
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,358,163	\$1,358,820	\$1,508,806	\$2,083,987	\$2,035,390
60 Transferred from Income	30,913	(657)	12,014	31,819	48,597
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	431,000		162,000	607,000	
64 Adjustments					
65 Ending Year Balance	958,076	1,358,163	1,358,820	1,508,806	2,083,987
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$958,076	\$1,358,163	\$1,358,820	\$1,508,806	\$2,083,987

**Pattersonville Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$580,121	\$502,331	\$425,289	\$664,902	\$680,178
2 Accounts Receivable (Net)	62,872	82,479	325,566	133,657	94,689
3 Current Deferred Income Taxes					
4 Other Current Assets	135,538	132,502	112,996	140,479	137,743
5 Total Current Assets	778,531	717,312	863,851	939,037	912,610
NON-CURRENT ASSETS					
6 Investments	228,800	218,385	262,218		
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	66,933	81,471			
11 Other Non-Current Assets					
12 Total Non-Current Assets	295,733	299,856	262,218		
REGULATED PLANT					
13 Total Telecommunications Plant	4,013,370	4,065,141	3,919,466	4,786,964	4,823,738
14 Less: Accumulated Depr and Amort.	3,727,037	3,692,078	3,521,514	4,266,680	4,089,455
15 Net Regulated Plant	286,333	373,063	397,953	520,283	734,282
16 Total Assets & Other Debits	\$1,360,597	\$1,390,232	\$1,524,021	\$1,459,320	\$1,646,892
CURRENT LIABILITIES					
17 Accounts Payable	\$65,132	\$90,222	\$106,928	\$34,172	\$32,755
18 Notes Payable					
19 Advanced Billings	6,198	4,587	46,881	3,404	2,878
20 Customer Deposits	140	662	539	368	270
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	28,336	33,157	41,581	36,856	35,902
24 Total Current Liabilities	99,806	128,629	195,929	74,799	71,805
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					163
27 Non-Current Deferred Taxes			143,470	210,889	258,899
28 Other Deferred Credits				3,436	8,018
29 Other Jurisdictional Differences - Net					
30 Other Liabilities			0	(14,334)	
31 Total Other Liab. and Def. Credits			143,470	199,991	267,081
STOCKHOLDER'S EQUITY					
32 Common Stock	84,000	84,000	84,000	84,000	84,000
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	1,176,790	1,177,603	1,100,622	1,100,530	1,224,006
36 Total Stockholder's Equity	1,260,790	1,261,603	1,184,622	1,184,530	1,308,006
37 Total Liab. and Stockholder's Equity	\$1,360,597	\$1,390,231	\$1,524,021	\$1,459,320	\$1,646,892

**Pattersonville Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$222,614	\$233,054	\$262,775	\$265,087	\$276,774	1
Network Access Services	342,313	339,034	324,682	363,511	362,591	2
Long Distance Network Services	385,058	420,021	368,699	454,897	561,647	3
Miscellaneous Revenues	160,052	208,701	245,169	231,264	163,983	4
Less: Uncollectible Revenues	1,074	1,201	1,992	1,537	3,149	5
Total Operating Revenues	1,108,963	1,199,609	1,199,333	1,313,222	1,361,845	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	2,466	8,687	9,119	10,353	15,293	7
General Support Expenses	106,475	106,377	215,441	82,316	85,408	8
Central Office Switching	113,558	110,724	168,157	167,543	192,744	9
Operator Systems Expense						10
Central Office Transmission	178,183	182,410	121,843	119,043	101,347	11
Info. Origination/Termination	14,821	23,759	21,387	26,071	27,783	12
Cable & Wire Facilities	79,745	140,053	104,719	133,103	108,725	13
Total Plant Specific Operations	495,247	572,009	640,666	538,430	531,301	14
Other Plant, Property & Equipment						15
Network Operations	63,966	57,653	59,294	68,556	74,883	16
Access Expense	21,273	20,544	22,782	17,942	12,585	17
Depreciation and Amortization	58,492	84,018	144,478	237,257	336,642	18
Total Plant Non-Specific Operations	143,731	162,216	226,554	323,755	424,110	19
Marketing Expense	1,029	1,222	1,312	2,970	1,965	20
Services Expense	106,344	121,181	133,236	159,176	155,291	21
Total Customer Operations	107,373	122,404	134,548	162,146	157,256	22
Executive & Planning	86,134	98,449	96,611	98,082	106,903	23
General & Administrative	191,448	212,695	267,229	264,664	252,048	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	277,581	311,144	363,840	362,746	358,951	27
Total Operations Expense	1,023,932	1,167,773	1,365,607	1,387,077	1,471,619	28
Other Operating Income & Expenses	1,227	2,365	2,321	1,570	5,177	29
State & Local Income Taxes						30
Other Taxes	62,785	59,564	70,092	67,380	70,421	31
Net Operating Income Before FIT	23,472	(25,363)	(234,044)	(139,665)	(175,017)	32
Investment Tax Credits - Net						33
Federal Income Taxes	14,523	(1,179)	(39,466)	4,755	3,722	34
Provision - Def. Operating Income Taxes - Net		(5,276)	(31,149)	(57,597)	(65,530)	35
Net Operating Income	\$8,949	(\$18,908)	(\$163,429)	(\$86,823)	(\$113,209)	36

Pattersonville Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$8,949	(\$18,908)	(\$163,429)	(\$86,823)	(\$113,209)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	5,235	4,870			
39 Interest Income	247	1,341	3,370	5,939	7,529
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	10,415	(43,833)	177,218		
44 Other Non-Operating Income	17,361				
45 Special Charges	1,021	1,021	754	754	1,204
46 Total Non-Operating Income & Expenses	32,237	(38,642)	179,834	5,185	6,325
NON-OPERATING TAXES					
47 Federal Income Taxes		(5)	64	572	821
48 Other					
49 Total Non-Operating Taxes		(5)	64	572	821
50 Income Available Before Interest Charges	41,187	(57,545)	16,342	(82,210)	(107,705)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense		2	(550)	(734)	(731)
53 Total Interest Charges		2	(550)	(734)	(731)
54 Income Before Extraordinary & Nonreg Items	41,187	(57,547)	16,892	(81,476)	(106,973)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$41,187	(\$57,547)	\$16,892	(\$81,476)	(\$106,973)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,044,219	\$923,404	\$1,100,530	\$1,224,006	\$1,330,980
60 Transferred from Income	30,771	(13,714)	(160,326)	(81,476)	(106,973)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	42,000	84,000	16,800	42,000	
64 Adjustments		(218,529)			
65 Ending Year Balance	1,032,990	1,044,219	923,404	1,100,530	1,224,006
66 Appropriated/Undistr Affiliate Retained Earnings	143,800	133,385	177,218		
67 Total Retained Earnings	\$1,176,790	\$1,177,604	\$1,100,622	\$1,100,530	\$1,224,006

**Port Byron Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,994,724	\$1,662,362	\$2,231,561	\$1,890,240	\$1,461,907
2 Accounts Receivable (Net)	470,897	747,583	394,666	336,475	495,001
3 Current Deferred Income Taxes					
4 Other Current Assets	52,192	53,869	41,276	58,077	57,509
5 Total Current Assets	2,517,813	2,463,814	2,667,503	2,284,792	2,014,417
NON-CURRENT ASSETS					
6 Investments			14,670	49,878	85,087
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets			14,670	49,878	85,087
REGULATED PLANT					
13 Total Telecommunications Plant	10,680,613	10,730,064	10,301,256	10,234,298	10,391,556
14 Less: Accumulated Depr and Amort.	8,202,587	7,983,003	7,498,539	7,035,781	6,704,062
15 Net Regulated Plant	2,478,026	2,747,061	2,802,717	3,198,517	3,687,494
16 Total Assets & Other Debits	\$4,995,839	\$5,210,875	\$5,484,890	\$5,533,187	\$5,786,998
CURRENT LIABILITIES					
17 Accounts Payable	272,300	\$319,382	\$307,116	\$286,538	\$357,924
18 Notes Payable					
19 Advanced Billings	5,128	6,032	5,404	5,571	3,542
20 Customer Deposits					
21 Current Maturities - Long-Term Debt			5,868	35,532	42,142
22 Current Deferred Income Taxes	(7,478)	(7,839)	(13,577)	(11,159)	(16,843)
23 Other Current Liabilities	110,014	35,546	106,272	32,522	38,765
24 Total Current Liabilities	379,964	353,121	411,083	349,004	425,530
LONG-TERM DEBT					
25 Long-Term Debt				8,802	41,400
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	470,064	508,180	501,158	571,272	595,614
28 Other Deferred Credits					32,832
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	(73,663)	(48,335)	(46,503)	(47,061)	(43,218)
31 Total Other Liab. and Def. Credits	396,401	459,845	454,655	524,211	585,228
STOCKHOLDER'S EQUITY					
32 Common Stock	60,002	60,002	60,002	60,002	60,002
33 Preferred Stock					
34 Other Paid in Capital	100,823	91,178	90,616	89,980	89,708
35 Retained Earnings	4,058,649	4,246,729	4,468,534	4,501,188	4,585,130
36 Total Stockholder's Equity	4,219,474	4,397,909	4,619,152	4,651,170	4,734,840
37 Total Liab. and Stockholder's Equity	\$4,995,839	\$5,210,875	\$5,484,890	\$5,533,187	\$5,786,998

Port Byron Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	469,257	\$482,718	\$530,012	\$564,744	\$622,245	1
Network Access Services	848,849	856,251	895,814	1,040,370	1,154,004	2
Long Distance Network Services						3
Miscellaneous Revenues	768,125	772,831	737,655	699,728	645,096	4
Less: Uncollectible Revenues	27,707	28,703	22,275	34,029	45,841	5
Total Operating Revenues	2,058,524	2,083,097	2,141,206	2,270,813	2,375,504	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	6,644	8,984	6,147	4,821	4,851	7
General Support Expenses	149,194	130,665	153,090	145,932	140,226	8
Central Office Switching	79,097	61,479	38,647	46,318	73,317	9
Operator Systems Expense						10
Central Office Transmission	242,422	165,109	162,700	156,515	196,650	11
Info. Origination/Termination	82,855	110,736	163,619	131,206	124,581	12
Cable & Wire Facilities	210,098	306,629	292,473	223,454	227,094	13
Total Plant Specific Operations	770,310	783,602	816,676	708,246	766,719	14
Other Plant, Property & Equipment						15
Network Operations	266,786	264,726	201,937	200,301	200,893	16
Access Expense	30,276	45,415	46,947	69,405	64,075	17
Depreciation and Amortization	483,535	504,284	551,690	440,866	616,629	18
Total Plant Non-Specific Operations	780,597	814,425	800,574	710,572	881,597	19
Marketing Expense	130,004	151,650	131,631	132,432	138,459	20
Services Expense	99,077	107,142	99,966	122,350	165,368	21
Total Customer Operations	229,081	258,792	231,597	254,782	303,827	22
Executive & Planning	64,871	73,849	81,861	84,090	69,899	23
General & Administrative	378,592	390,361	357,485	362,392	352,026	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	443,463	464,210	439,346	446,482	421,925	27
Total Operations Expense	2,223,451	2,321,029	2,288,193	2,120,082	2,374,068	28
Other Operating Income & Expenses					1,992	29
State & Local Income Taxes						30
Other Taxes	125,300	112,125	146,300	99,642	107,287	31
Net Operating Income Before FIT	(290,227)	(350,057)	(293,287)	51,089	(103,859)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(58,430)	(134,822)	(33,593)	24,933	(6,352)	34
Provision - Def. Operating Income Taxes - Net	(42,948)	12,457	(69,050)	(18,527)	(42,607)	35
Net Operating Income	(\$188,849)	(\$227,692)	(\$190,644)	\$44,683	(\$54,900)	36

Port Byron Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$188,849)	(\$227,692)	(\$190,644)	\$44,683	(\$54,900)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	3,021	7,903	9,579	8,330	8,296
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income		2,465	176	(15)	(164)
45 Special Charges	1,837	1,311	(233,564)	205,916	758
46 Total Non-Operating Income & Expenses	1,184	9,057	243,319	(197,601)	7,374
NON-OPERATING TAXES					
47 Federal Income Taxes	415	3,170	85,322	(69,203)	2,287
48 Other					
49 Total Non-Operating Taxes	415	3,170	85,322	(69,203)	2,287
50 Income Available Before Interest Charges	(188,080)	(221,805)	(32,647)	(83,715)	(49,813)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense			7	227	986
53 Total Interest Charges			7	227	986
54 Income Before Extraordinary & Nonreg Items	(188,080)	(221,805)	(32,654)	(83,942)	(50,799)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$188,080)	(\$221,805)	(\$32,654)	(\$83,942)	(\$50,799)
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$4,246,729	\$4,468,534	\$4,501,188	\$4,585,130	\$4,635,929
60 Transferred from Income	(188,080)	(221,805)	(32,654)	(83,942)	(50,799)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	4,058,649	4,246,729	4,468,534	4,501,188	4,585,130
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$4,058,649	\$4,246,729	\$4,468,534	\$4,501,188	\$4,585,130

**State Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$129,836	\$41,010	\$218,351	\$12,029	\$408,145
2 Accounts Receivable (Net)	96,664	202,115	240,763	279,605	236,867
3 Current Deferred Income Taxes					
4 Other Current Assets	525,144	475,856	608,929	632,208	553,583
5 Total Current Assets	751,644	718,981	1,068,043	923,842	1,198,595
NON-CURRENT ASSETS					
6 Investments	1,096,822	1,065,134	1,036,364	983,318	952,129
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	69,705	69,705	69,705	69,705	69,705
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	546,418	481,511			
11 Other Non-Current Assets					
12 Total Non-Current Assets	1,712,945	1,616,350	1,106,069	1,053,023	1,021,834
REGULATED PLANT					
13 Total Telecommunications Plant	25,683,667	25,491,362	24,862,245	23,254,286	20,444,292
14 Less: Accumulated Depr and Amort.	18,903,703	18,189,773	17,415,001	16,595,785	15,855,505
15 Net Regulated Plant	6,779,964	7,301,589	7,447,244	6,658,501	4,588,787
16 Total Assets & Other Debits	\$9,244,553	\$9,636,920	\$9,621,356	\$8,635,366	\$6,809,216
CURRENT LIABILITIES					
17 Accounts Payable	\$109,620	\$67,845	\$90,218	\$115,080	\$279,769
18 Notes Payable	1,474,993	1,622,842	1,906,574	1,500,000	
19 Advanced Billings					
20 Customer Deposits	8,727	9,147	9,897	11,547	12,637
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	113,095	99,475	2,811	(75,630)	75,794
24 Total Current Liabilities	1,706,435	1,799,309	2,009,500	1,550,997	368,200
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	625,437	563,627	980,896	43,547	(192,070)
28 Other Deferred Credits	435,916	472,587	503,442	539,813	574,337
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	1,527,174	1,562,820	1,166,595	1,097,737	1,419,284
31 Total Other Liab. and Def. Credits	2,588,527	2,599,034	2,650,933	1,681,097	1,801,551
STOCKHOLDER'S EQUITY					
32 Common Stock	80,000	80,000	80,000	80,000	80,000
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	4,869,591	5,158,577	4,880,923	5,323,272	4,559,465
36 Total Stockholder's Equity	4,949,591	5,238,577	4,960,923	5,403,272	4,639,465
37 Total Liab. and Stockholder's Equity	\$9,244,553	\$9,636,920	\$9,621,356	\$8,635,366	\$6,809,216

State Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,094,716	\$1,180,420	\$1,280,970	\$1,376,189	\$1,309,614	1
Network Access Services	1,580,320	1,746,445	1,754,703	1,788,707	1,755,450	2
Long Distance Network Services	339,545	500,327	641,938	590,503	517,908	3
Miscellaneous Revenues	1,439,034	1,331,459	1,285,102	1,222,149	1,143,987	4
Less: Uncollectible Revenues	27,086	(2,017)	37,360	17,144	82,981	5
Total Operating Revenues	4,426,529	4,760,668	4,925,353	4,960,404	4,643,978	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	4,933	(404)	2,933		(1,515)	7
General Support Expenses	188,711	223,096	253,100	300,421	241,738	8
Central Office Switching	854,521	904,380	791,423	528,304	445,363	9
Operator Systems Expense						10
Central Office Transmission	116,631	91,836	79,749	79,341	73,340	11
Info. Origination/Termination	157,845	153,140	190,693	230,654	238,130	12
Cable & Wire Facilities	742,257	700,212	226,038	301,912	283,886	13
Total Plant Specific Operations	2,064,898	2,072,260	1,543,936	1,440,632	1,280,942	14
Other Plant, Property & Equipment	42,090	73,159	73,438	73,518	70,453	15
Network Operations	324,948	301,953	345,709	323,478	345,683	16
Access Expense	8,522	7,954	5,298	11,626	20,742	17
Depreciation and Amortization	966,760	895,191	819,216	782,346	730,717	18
Total Plant Non-Specific Operations	1,342,320	1,278,257	1,243,661	1,190,968	1,167,595	19
Marketing Expense	31,620	31,507	28,845	26,346	29,609	20
Services Expense	578,024	552,906	575,970	575,269	664,430	21
Total Customer Operations	609,644	584,413	604,815	601,615	694,039	22
Executive & Planning	292,704	357,229	352,564	314,340	337,198	23
General & Administrative	269,410	408,741	303,730	285,068	332,468	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	562,114	765,970	656,294	599,408	669,666	27
Total Operations Expense	4,578,976	4,700,900	4,048,706	3,832,623	3,812,242	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	334,862	309,847	281,720	273,060	261,936	31
Net Operating Income Before FIT	(487,309)	(250,079)	594,927	854,721	569,800	32
Investment Tax Credits - Net						33
Federal Income Taxes	(162,533)	(69,261)	57,922	(57,606)	139,409	34
Provision - Def. Operating Income Taxes - Net		(348,311)	136,171	284,752	(50,560)	35
Net Operating Income	(\$324,776)	\$167,493	\$400,834	\$627,575	\$480,951	36

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State Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$324,776)	\$167,493	\$400,834	\$627,575	\$480,951
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	31,688	28,770	53,046	31,189	66,113
44 Other Non-Operating Income					
45 Special Charges	13,250	4,965	67,800	11,673	12,128
46 Total Non-Operating Income & Expenses	18,438	23,805	(14,754)	19,516	53,985
NON-OPERATING TAXES					
47 Federal Income Taxes					
48 Other					
49 Total Non-Operating Taxes					
50 Income Available Before Interest Charges	(306,338)	191,298	386,080	647,091	534,936
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	68,147	76,741	90,239	10,861	35
53 Total Interest Charges	68,147	76,741	90,239	10,861	35
54 Income Before Extraordinary & Nonreg Items	(374,485)	114,557	295,841	636,230	534,901
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$374,485)	\$114,557	\$295,841	\$636,230	\$534,901
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$3,993,443	\$3,744,559	\$4,239,954	\$3,507,336	\$3,421,030
60 Transferred from Income	(406,173)	85,787	242,795	605,041	468,788
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock		112,000		360,000	360,000
64 Adjustments	85,499	275,097	(738,190)	487,577	(22,482)
65 Ending Year Balance	3,672,769	3,993,443	3,744,559	4,239,954	3,507,336
66 Appropriated/Undistr Affiliate Retained Earnings	1,196,822	1,165,134	1,136,364	1,083,318	1,052,129
67 Total Retained Earnings	\$4,869,591	\$5,158,577	\$4,880,923	\$5,323,272	\$4,559,465

Taconic Telephone Corp.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$900	\$900	\$1,220	\$1,220	\$1,220
2 Accounts Receivable (Net)	2,888,479	3,137,613	3,050,683	5,696,221	5,964,401
3 Current Deferred Income Taxes	35,879	64,299	47,442	59,818	54,467
4 Other Current Assets	1,344,897	791,502	870,095	805,030	767,205
5 Total Current Assets	4,270,155	3,994,314	3,969,440	6,562,289	6,787,293
NON-CURRENT ASSETS					
6 Investments	496,651	1,368,933	1,629,670	2,932,328	2,527,960
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes		(9,422)	73,409	162,786	256,704
11 Other Non-Current Assets	3,132	3,132	3,132		
12 Total Non-Current Assets	499,783	1,362,643	1,706,211	3,095,114	2,784,664
REGULATED PLANT					
13 Total Telecommunications Plant	75,107,338	74,195,348	72,872,974	72,338,568	71,601,250
14 Less: Accumulated Depr and Amort.	54,403,748	53,819,463	51,654,205	51,440,686	51,158,089
15 Net Regulated Plant	20,703,590	20,375,885	21,218,769	20,897,882	20,443,160
16 Total Assets & Other Debits	\$25,473,528	\$25,732,842	\$26,894,420	\$30,555,285	\$30,015,117
CURRENT LIABILITIES					
17 Accounts Payable	\$4,870,341	\$4,023,282	\$4,166,127	\$6,533,120	\$5,503,433
18 Notes Payable					
19 Advanced Billings		6,340	5,511	(7,955)	
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	622,551	108,864	151,406	177,465	147,003
24 Total Current Liabilities	5,492,892	4,138,486	4,323,044	6,702,630	5,650,436
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	3,110,618	3,199,333	3,144,521	3,330,678	2,761,852
28 Other Deferred Credits			186,299	484,507	771,177
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	42,756	43,309	(143,732)	844,880	994,255
31 Total Other Liab. and Def. Credits	3,153,374	3,242,642	3,187,088	4,660,065	4,527,283
STOCKHOLDER'S EQUITY					
32 Common Stock	677,719	677,719	677,719	677,719	677,719
33 Preferred Stock					
34 Other Paid in Capital	1,581,615	1,581,615	1,581,615	1,581,615	1,581,615
35 Retained Earnings	14,567,928	16,092,375	17,124,954	16,933,257	17,578,064
36 Total Stockholder's Equity	16,827,262	18,351,709	19,384,288	19,192,590	19,837,397
37 Total Liab. and Stockholder's Equity	\$25,473,528	\$25,732,837	\$26,894,420	\$30,555,285	\$30,015,117

Taconic Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$5,569,493	\$5,754,976	\$5,900,350	\$6,291,137	\$6,777,829	1
Network Access Services	8,230,879	8,495,650	9,076,902	8,913,380	9,075,300	2
Long Distance Network Services	132,691	132,724	133,286	133,482	134,295	3
Miscellaneous Revenues	970,169	1,085,394	1,502,083	1,303,509	1,373,369	4
Less: Uncollectible Revenues	(768)	202,309	74,286	167,827	189,575	5
Total Operating Revenues	14,904,000	15,266,435	16,538,335	16,473,681	17,171,217	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	5,503	4,065	5,844	(2,809)	1,505	7
General Support Expenses	2,830,984	3,168,046	2,645,567	3,423,789	1,487,092	8
Central Office Switching	689,680	669,639	656,596	682,378	695,522	9
Operator Systems Expense						10
Central Office Transmission	127,882	74,596	78,379	71,443	79,643	11
Info. Origination/Termination						12
Cable & Wire Facilities	2,119,972	2,331,755	2,368,182	1,881,758	2,190,256	13
Total Plant Specific Operations	5,774,021	6,248,101	5,754,568	6,056,559	4,454,018	14
Other Plant, Property & Equipment	(20,000)		876		12,345	15
Network Operations	1,524,208	1,302,403	1,397,723	1,498,375	1,535,849	16
Access Expense	528,832	524,533	549,817	518,956	417,350	17
Depreciation and Amortization	2,440,153	2,399,431	3,039,119	2,638,257	2,631,331	18
Total Plant Non-Specific Operations	4,473,193	4,226,367	4,987,535	4,655,588	4,596,875	19
Marketing Expense	242,617	240,294	355,734	250,263	371,641	20
Services Expense	1,402,825	1,487,538	1,711,737	1,788,558	2,023,283	21
Total Customer Operations	1,645,442	1,727,832	2,067,471	2,038,821	2,394,924	22
Executive & Planning	420,802	549,554	306,032	256,914	571,201	23
General & Administrative	1,629,301	1,867,538	1,975,497	1,698,638	2,378,412	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	2,050,103	2,417,092	2,281,529	1,955,552	2,949,613	27
Total Operations Expense	13,942,759	14,619,392	15,091,103	14,706,520	14,395,430	28
Other Operating Income & Expenses						29
State & Local Income Taxes	1,973	(4,858)	(302)	(1,386)	23,714	30
Other Taxes	815,541	753,362	817,518	855,462	742,623	31
Net Operating Income Before FIT	143,727	(101,461)	630,016	913,085	2,009,450	32
Investment Tax Credits - Net						33
Federal Income Taxes	134,772	(467,993)	(14,209)	(46,790)	2,114,833	34
Provision - Def. Operating Income Taxes - Net	(69,717)	120,786	(66,071)	42,874	(457,199)	35
Net Operating Income	\$78,672	\$245,746	\$710,296	\$917,001	\$351,816	36

Taconic Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	\$78,672	\$245,746	\$710,296	\$917,001	\$351,816
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	1,084,718	1,179,263	1,531,342	1,542,368	
44 Other Non-Operating Income					
45 Special Charges			900	92	(150)
46 Total Non-Operating Income & Expenses	1,084,718	1,179,263	1,530,442	1,542,276	150
NON-OPERATING TAXES					
47 Federal Income Taxes	433,180	137,218	33,112	516,845	(778,650)
48 Other	83,350	83,351	(74,609)	125,801	68,320
49 Total Non-Operating Taxes	516,530	220,569	(41,497)	642,646	(710,330)
50 Income Available Before Interest Charges	646,860	1,204,440	2,282,235	1,816,631	1,062,296
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense		1,119	17,570	38,161	57,316
53 Total Interest Charges		1,119	17,570	38,161	57,316
54 Income Before Extraordinary & Nonreg Items	646,860	1,203,321	2,264,665	1,778,470	1,004,979
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	1,834,404	895,363	738,375	2,186,090	1,906,295
57 Total Extraordinary & Nonregulated Items	1,834,404	895,363	738,375	2,186,090	1,906,295
58 Net Income	\$2,481,264	\$2,098,684	\$3,003,040	\$3,964,560	\$2,911,274
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$16,092,376	\$17,124,955	\$16,933,257	\$17,578,064	\$18,771,790
60 Transferred from Income	1,396,546	919,421	1,471,698	2,422,192	2,911,274
61 Appropriations			1,134,454	2,921,454	
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					4,105,000
64 Adjustments	(145,546)	(145,546)	(145,546)	(145,545)	
65 Ending Year Balance	17,343,376	17,898,830	17,124,955	16,933,257	17,578,064
66 Appropriated/Undistr Affiliate Retained Earnings	(2,775,448)	(1,806,454)			
67 Total Retained Earnings	\$14,567,928	\$16,092,376	\$17,124,955	\$16,933,257	\$17,578,064

Township Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,362,651	\$1,095,449	\$1,030,522	\$3,002,866	\$2,622,609
2 Accounts Receivable (Net)	306,409	447,892	429,711	332,720	565,756
3 Current Deferred Income Taxes					
4 Other Current Assets	53,248	57,087	68,498	63,238	60,595
5 Total Current Assets	1,722,308	1,600,428	1,528,731	3,398,824	3,248,960
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	(235)	50			100
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	(235)	50			100
REGULATED PLANT					
13 Total Telecommunications Plant	18,532,924	18,408,210	18,266,906	17,883,607	18,418,292
14 Less: Accumulated Depr and Amort.	12,939,472	12,276,132	11,617,643	11,030,958	10,421,373
15 Net Regulated Plant	5,593,452	6,132,078	6,649,263	6,852,649	7,996,919
16 Total Assets & Other Debits	\$7,315,525	\$7,732,556	\$8,177,994	\$10,251,473	\$11,245,979
CURRENT LIABILITIES					
17 Accounts Payable	\$330,215	\$300,247	\$328,592	\$332,634	\$418,344
18 Notes Payable					
19 Advanced Billings	63,478	66,090	67,786	65,796	70,870
20 Customer Deposits					
21 Current Maturities - Long-Term Debt				855	3,656
22 Current Deferred Income Taxes	(3,541)	(2,716)	(9,397)	(3,575)	(5,375)
23 Other Current Liabilities	149,189	88,225	85,890	118,833	108,091
24 Total Current Liabilities	539,341	451,846	472,871	514,543	595,586
LONG-TERM DEBT					
25 Long-Term Debt					855
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,383,864	1,497,972	1,488,961	1,419,711	1,632,820
28 Other Deferred Credits					
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	185,907	216,596	213,864	427,765	421,760
31 Total Other Liab. and Def. Credits	1,569,771	1,714,568	1,702,825	1,847,476	2,054,580
STOCKHOLDER'S EQUITY					
32 Common Stock	10,000	10,000	10,000	10,000	10,000
33 Preferred Stock					
34 Other Paid in Capital	3,698,434	3,688,859	3,689,759	3,613,927	3,611,919
35 Retained Earnings	1,497,979	1,867,283	2,302,539	4,265,527	4,973,039
36 Total Stockholder's Equity	5,206,413	5,566,142	6,002,298	7,889,454	8,594,958
37 Total Liab. and Stockholder's Equity	\$7,315,525	\$7,732,556	\$8,177,994	\$10,251,473	\$11,245,979

Township Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$573,923	\$604,581	\$679,011	\$752,831	\$854,857	1
Network Access Services	1,351,974	1,462,416	1,516,745	1,518,030	1,909,905	2
Long Distance Network Services						3
Miscellaneous Revenues	614,403	648,621	652,996	602,803	538,493	4
Less: Uncollectible Revenues	7,836	3,042	7,014	18,615	3,841	5
Total Operating Revenues	2,532,464	2,712,576	2,841,738	2,855,049	3,299,414	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	3,662	6,878	9,247	8,711	7,397	7
General Support Expenses	180,178	190,425	193,003	194,170	201,783	8
Central Office Switching	120,705	141,411	157,583	129,530	150,446	9
Operator Systems Expense						10
Central Office Transmission	220,066	152,210	143,997	139,644	193,987	11
Info. Origination/Termination	70,944	81,925	148,723	149,873	128,422	12
Cable & Wire Facilities	258,957	421,451	298,221	265,715	296,076	13
Total Plant Specific Operations	854,512	994,300	950,774	887,643	978,111	14
Other Plant, Property & Equipment						15
Network Operations	345,934	352,015	306,268	321,099	332,553	16
Access Expense	30,183	45,946	43,183	71,198	60,191	17
Depreciation and Amortization	795,482	791,323	779,230	633,673	1,022,736	18
Total Plant Non-Specific Operations	1,171,599	1,189,284	1,128,681	1,025,970	1,415,480	19
Marketing Expense	178,195	211,700	192,186	200,460	219,055	20
Services Expense	132,492	148,398	147,807	174,264	248,981	21
Total Customer Operations	310,687	360,098	339,993	374,724	468,036	22
Executive & Planning	83,766	94,950	100,963	100,031	77,936	23
General & Administrative	536,756	579,949	424,287	552,598	543,477	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	620,522	674,899	525,250	652,629	621,413	27
Total Operations Expense	2,957,320	3,218,581	2,944,698	2,940,966	3,483,040	28
Other Operating Income & Expenses	5,450			(245)	1,037	29
State & Local Income Taxes						30
Other Taxes	148,117	165,637	164,142	163,901	179,243	31
Net Operating Income Before FIT	(567,523)	(671,642)	(267,102)	(250,063)	(361,832)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(78,478)	(251,094)	(107,947)	124,289	8,953	34
Provision - Def. Operating Income Taxes - Net	(120,088)	16,176	15,031	(211,759)	(135,856)	35
Net Operating Income	(\$368,957)	(\$436,724)	(\$174,186)	(\$162,593)	(\$234,929)	36

Township Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$368,957)	(\$436,724)	(\$174,186)	(\$162,593)	(\$234,929)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	1,348	4,132	15,222	17,625	19,110
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					(11)
44 Other Non-Operating Income					965
45 Special Charges	1,882	1,873	(863,219)	855,739	
46 Total Non-Operating Income & Expenses	(534)	2,259	878,441	(838,114)	18,134
NON-OPERATING TAXES					
47 Federal Income Taxes	(187)	791	307,152	(293,339)	6,346
48 Other					
49 Total Non-Operating Taxes	(187)	791	307,152	(293,339)	6,346
50 Income Available Before Interest Charges	(369,304)	(435,256)	397,103	(707,368)	(223,141)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense			91	144	856
53 Total Interest Charges			91	144	856
54 Income Before Extraordinary & Nonreg Items	(369,304)	(435,256)	397,012	(707,512)	(223,997)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$369,304)	(\$435,256)	\$397,012	(\$707,512)	(\$223,997)
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,867,283	\$2,302,539	\$4,265,527	\$4,973,039	\$5,197,036
60 Transferred from Income	(369,304)	(435,256)	397,012	(707,512)	(223,997)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock			2,360,000		
64 Adjustments					
65 Ending Year Balance	1,497,979	1,867,283	2,302,539	4,265,527	4,973,039
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$1,497,979	\$1,867,283	\$2,302,539	\$4,265,527	\$4,973,039

Trumansburg Home Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,962,665	\$1,560,297	\$1,372,288	\$1,305,928	\$1,196,954
2 Accounts Receivable (Net)	2,423,451	2,494,278	3,538,226	2,669,528	1,497,117
3 Current Deferred Income Taxes					
4 Other Current Assets	1,615,324	1,489,308	1,594,802	798,627	838,856
5 Total Current Assets	6,001,440	5,543,883	6,505,316	4,774,083	3,532,927
NON-CURRENT ASSETS					
6 Investments	3,442,436	3,237,699	3,296,910	3,743,466	3,645,432
7 Unamortized Debt Issuance Costs			2,400	4,800	7,200
8 Deferred Charges					5,832
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	420,154	353,646	404,395	320,074	288,255
11 Other Non-Current Assets	1,556,087	2,212,029	2,196,702	2,312,740	2,814,230
12 Total Non-Current Assets	5,418,677	5,803,374	5,900,407	6,381,080	6,760,949
REGULATED PLANT					
13 Total Telecommunications Plant	24,270,905	25,277,835	24,189,786	25,797,237	25,150,618
14 Less: Accumulated Depr and Amort.	15,068,377	15,504,841	14,478,120	15,836,462	14,784,017
15 Net Regulated Plant	9,202,528	9,772,994	9,711,667	9,960,775	10,366,601
16 Total Assets & Other Debits	\$20,622,645	\$21,120,251	\$22,117,390	\$21,115,938	\$20,660,477
CURRENT LIABILITIES					
17 Accounts Payable	\$1,220,509	\$1,687,081	\$2,638,597	\$1,625,791	\$1,443,300
18 Notes Payable	387,867	249,213	317,196	345,460	429,275
19 Advanced Billings	396,841	417,277	437,713	458,149	478,585
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	299,235	299,235	299,235	299,235	299,235
22 Current Deferred Income Taxes					
23 Other Current Liabilities	890,351	954,089	834,364	889,042	859,639
24 Total Current Liabilities	3,194,803	3,606,896	4,527,105	3,617,677	3,510,034
LONG-TERM DEBT					
25 Long-Term Debt	498,721	797,956	1,196,936	1,595,916	1,994,896
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	2,351,455	2,361,402	2,338,201	2,197,183	2,081,035
28 Other Deferred Credits	231,953	266,159	263,591	276,482	296,445
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	309,143	310,292	313,285	321,990	273,309
31 Total Other Liab. and Def. Credits	2,892,551	2,937,853	2,915,077	2,795,655	2,650,789
STOCKHOLDER'S EQUITY					
32 Common Stock	240,000	240,000	240,000	240,000	240,000
33 Preferred Stock					
34 Other Paid in Capital	(1,699,331)	(1,877,056)	(2,050,975)	(2,014,959)	(2,154,475)
35 Retained Earnings	15,495,901	15,414,602	15,289,247	14,881,648	14,419,233
36 Total Stockholder's Equity	14,036,570	13,777,546	13,478,272	13,106,689	12,504,758
37 Total Liab. and Stockholder's Equity	\$20,622,645	\$21,120,251	\$22,117,390	\$21,115,938	\$20,660,477

Trumansburg Home Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,188,466	\$1,289,546	\$1,400,284	\$1,493,827	\$1,626,544	1
Network Access Services	2,646,265	2,622,644	3,086,454	2,980,156	3,141,202	2
Long Distance Network Services						3
Miscellaneous Revenues	971,625	1,089,270	989,240	936,810	885,380	4
Less: Uncollectible Revenues	6,856	13,025	19,254	24,450	22,502	5
Total Operating Revenues	4,799,500	4,988,435	5,456,724	5,386,343	5,630,624	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	12,427	6,145	9,797	5,935	5,861	7
General Support Expenses	652,087	553,141	545,558	532,712	542,053	8
Central Office Switching	404,255	400,582	410,225	399,403	374,678	9
Operator Systems Expense						10
Central Office Transmission	139,074	92,825	130,498	123,954	161,704	11
Info. Origination/Termination	107,296	140,715	136,674	150,864	121,097	12
Cable & Wire Facilities	141,995	37,657	294,363	262,623	300,656	13
Total Plant Specific Operations	1,457,134	1,231,065	1,527,115	1,475,491	1,506,049	14
Other Plant, Property & Equipment	(1,904)	1,242	1,226	587	(1)	15
Network Operations	298,335	273,149	351,432	369,865	330,006	16
Access Expense	164,887	164,951	148,546	131,071	110,189	17
Depreciation and Amortization	1,134,148	1,121,429	1,116,781	1,108,670	1,090,497	18
Total Plant Non-Specific Operations	1,595,466	1,560,770	1,617,985	1,610,193	1,530,691	19
Marketing Expense	72,056	66,180	67,231	82,675	115,736	20
Services Expense	300,254	359,679	368,691	381,051	404,135	21
Total Customer Operations	372,310	425,859	435,922	463,726	519,871	22
Executive & Planning	458,739	412,802	379,826	436,073	394,502	23
General & Administrative	976,432	898,282	885,837	848,766	798,014	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,435,171	1,311,084	1,265,663	1,284,839	1,192,516	27
Total Operations Expense	4,860,081	4,528,778	4,846,685	4,834,249	4,749,127	28
Other Operating Income & Expenses	391	2,832				29
State & Local Income Taxes						30
Other Taxes	238,771	251,187	283,406	287,643	424,008	31
Net Operating Income Before FIT	(298,961)	211,302	326,633	264,451	457,489	32
Investment Tax Credits - Net						33
Federal Income Taxes	(27,757)	24,434	(3,856)	46,418	122,750	34
Provision - Def. Operating Income Taxes - Net	(74,075)	24,369	88,378	(2,246)	22,633	35
Net Operating Income	(\$197,130)	\$162,499	\$242,111	\$220,279	\$312,106	36

Trumansburg Home Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$197,130)	\$162,499	\$242,111	\$220,279	\$312,106
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	16,705	17,940	20,276	22,910	25,326
39 Interest Income	37,579	36,734	38,758	42,126	35,496
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	16,217	22,159	17,983	6,295	1,679
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	60,371	(59,212)	209,116	359,322	(254,756)
44 Other Non-Operating Income	298,620	131,088	96,144	92,746	(224,441)
45 Special Charges	38,937	765	24,135	14,692	13,414
46 Total Non-Operating Income & Expenses	390,555	147,944	358,142	508,707	(430,110)
NON-OPERATING TAXES					
47 Federal Income Taxes	122,143	53,147	39,914	83,768	(79,265)
48 Other					
49 Total Non-Operating Taxes	122,143	53,147	39,914	83,768	(79,265)
50 Income Available Before Interest Charges	71,282	257,296	560,339	645,218	(38,739)
INTEREST CHARGES					
51 Interest on Funded Debt	28,042	60,770	83,136	108,747	135,909
52 Other Interest Expense	9,189	11,520	15,459	20,239	6,841
53 Total Interest Charges	37,231	72,290	98,595	128,986	142,750
54 Income Before Extraordinary & Nonreg Items	34,051	185,006	461,744	516,232	(181,489)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$34,051	\$185,006	\$461,744	\$516,232	(\$181,489)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$15,831,616	\$15,706,261	\$15,298,662	\$14,836,247	\$15,071,483
60 Transferred from Income	(26,320)	244,218	461,745	516,232	73,267
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	59,504	59,651	54,146	53,818	53,747
64 Adjustments	167,123	59,212			(254,756)
65 Ending Year Balance	15,912,915	15,831,616	15,706,261	15,298,662	14,836,247
66 Appropriated/Undistr Affiliate Retained Earnings	(417,014)	(417,014)	(417,014)	(417,014)	(417,014)
67 Total Retained Earnings	\$15,495,901	\$15,414,602	\$15,289,247	\$14,881,648	\$14,419,233

Vernon Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$2,412,274	\$2,209,355	\$2,064,564	\$1,818,230	\$1,520,876
2 Accounts Receivable (Net)	135,925	169,859	199,894	164,182	409,826
3 Current Deferred Income Taxes					
4 Other Current Assets	38,800	41,371	40,105	39,945	39,639
5 Total Current Assets	2,586,999	2,420,585	2,304,563	2,022,357	1,970,341
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	42,701				
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	42,701				
REGULATED PLANT					
13 Total Telecommunications Plant	10,258,373	10,237,273	10,297,687	10,031,679	9,995,673
14 Less: Accumulated Depr and Amort.	6,682,888	6,455,172	6,335,403	5,915,780	5,580,663
15 Net Regulated Plant	3,575,485	3,782,101	3,962,284	4,115,899	4,415,010
16 Total Assets & Other Debits	\$6,205,185	\$6,202,686	\$6,266,847	\$6,138,256	\$6,385,351
CURRENT LIABILITIES					
17 Accounts Payable	\$177,425	\$182,835	\$285,105	\$215,609	\$371,155
18 Notes Payable					
19 Advanced Billings	19,811	20,330	20,100	20,450	20,262
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					979
22 Current Deferred Income Taxes	(2,829)	(2,444)	(7,595)	(2,866)	(2,975)
23 Other Current Liabilities	113,907	28,921	34,890	40,566	32,962
24 Total Current Liabilities	308,314	229,642	332,500	273,759	422,383
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	934,169	961,267	945,615	922,381	955,207
28 Other Deferred Credits					
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	(152,390)	(104,477)	(93,808)	(102,721)	(94,379)
31 Total Other Liab. and Def. Credits	781,779	856,790	851,807	819,660	860,828
STOCKHOLDER'S EQUITY					
32 Common Stock	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
33 Preferred Stock					
34 Other Paid in Capital	2,853,672	2,829,656	2,834,069	2,838,758	2,838,902
35 Retained Earnings	(138,580)	(113,402)	(151,529)	(193,921)	(136,762)
36 Total Stockholder's Equity	5,115,092	5,116,254	5,082,540	5,044,837	5,102,140
37 Total Liab. and Stockholder's Equity	\$6,205,185	\$6,202,686	\$6,266,847	\$6,138,256	\$6,385,351

Vernon Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$543,297	\$573,141	\$621,786	\$656,073	\$711,490	1
Network Access Services	642,211	762,882	717,192	700,400	857,812	2
Long Distance Network Services						3
Miscellaneous Revenues	391,103	382,495	382,640	361,918	317,185	4
Less: Uncollectible Revenues	4,176	12,960	4,675	13,683	1,554	5
Total Operating Revenues	1,572,435	1,705,558	1,716,943	1,704,708	1,884,933	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	13,223	12,225	9,863	6,352	5,619	7
General Support Expenses	109,586	107,327	116,762	100,122	114,840	8
Central Office Switching	64,941	64,475	74,020	80,527	86,881	9
Operator Systems Expense						10
Central Office Transmission	102,373	74,992	89,030	58,765	73,178	11
Info. Origination/Termination	27,148	34,008	70,743	77,447	67,222	12
Cable & Wire Facilities	147,342	177,973	214,213	158,988	173,031	13
Total Plant Specific Operations	464,613	471,000	574,631	482,201	520,771	14
Other Plant, Property & Equipment						15
Network Operations	226,202	211,062	167,742	156,736	176,432	16
Access Expense	25,386	32,762	31,809	48,221	41,878	17
Depreciation and Amortization	343,539	351,814	404,278	381,182	524,127	18
Total Plant Non-Specific Operations	595,127	595,638	603,829	586,139	742,437	19
Marketing Expense	104,672	117,769	102,025	101,216	102,677	20
Services Expense	79,293	82,788	82,845	94,609	125,592	21
Total Customer Operations	183,965	200,557	184,870	195,825	228,269	22
Executive & Planning	48,824	48,970	56,961	52,598	41,921	23
General & Administrative	245,945	260,589	262,473	269,814	272,278	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	294,769	309,559	319,434	322,412	314,199	27
Total Operations Expense	1,538,474	1,576,754	1,682,764	1,586,577	1,805,676	28
Other Operating Income & Expenses	2,632		1,086		887	29
State & Local Income Taxes						30
Other Taxes	77,348	77,874	85,469	81,438	86,730	31
Net Operating Income Before FIT	(40,755)	50,930	(50,204)	36,693	(6,586)	32
Investment Tax Credits - Net						33
Federal Income Taxes	26,229	(5,219)	(47,429)	55,677	65,052	34
Provision - Def. Operating Income Taxes - Net	(40,416)	23,182	30,017	(42,680)	(67,219)	35
Net Operating Income	(\$26,568)	\$32,967	(\$32,792)	\$23,696	(\$4,419)	36

Vernon Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$26,568)	\$32,967	(\$32,792)	\$23,696	(\$4,419)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	3,135	8,925	9,002	8,927	10,983
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income				(15)	(65)
45 Special Charges	997	986	(106,655)	133,268	718
46 Total Non-Operating Income & Expenses	2,138	7,939	115,657	(124,356)	10,200
NON-OPERATING TAXES					
47 Federal Income Taxes	748	2,779	40,469	(43,524)	3,505
48 Other					
49 Total Non-Operating Taxes	748	2,779	40,469	(43,524)	3,505
50 Income Available Before Interest Charges	(25,178)	38,127	42,396	(57,136)	2,276
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense			4	23	187
53 Total Interest Charges			4	23	187
54 Income Before Extraordinary & Nonreg Items	(25,178)	38,127	42,392	(57,159)	2,089
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$25,178)	\$38,127	\$42,392	(\$57,159)	\$2,089
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$113,402)	(\$151,529)	(\$193,921)	(\$136,762)	(\$138,851)
60 Transferred from Income	(25,178)	38,127	42,392	(57,159)	2,089
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	(138,580)	(113,402)	(151,529)	(193,921)	(136,762)
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	(\$138,580)	(\$113,402)	(\$151,529)	(\$193,921)	(\$136,762)

Warwick Valley Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2013	2012	2011	2010	2009
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$893,956	\$705,000	\$4,339,461	\$13,333,379	\$9,284,431
2 Accounts Receivable (Net)	53,162,157	53,459,859	49,502,807	33,064,219	26,270,647
3 Current Deferred Income Taxes					
4 Other Current Assets	377,637	601,178	931,681	979,468	1,114,390
5 Total Current Assets	54,433,750	54,766,037	54,773,949	47,377,066	36,669,468
NON-CURRENT ASSETS					
6 Investments			(1,773,288)	5,901,458	9,130,970
7 Unamortized Debt Issuance Costs			44,715	20,628	39,375
8 Deferred Charges		1,397,847	1,223,427	943,179	662,655
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes			366,056	(77,134)	18,234
11 Other Non-Current Assets	274,979	274,979	2,251,558	4,342,882	4,331,297
12 Total Non-Current Assets	274,979	1,672,826	2,112,468	11,131,013	14,182,531
REGULATED PLANT					
13 Total Telecommunications Plant	74,228,456	74,688,849	73,284,019	71,361,928	70,333,461
14 Less: Accumulated Depr and Amort.	56,024,158	53,578,072	50,576,212	46,882,002	42,975,607
15 Net Regulated Plant	18,204,298	21,110,777	22,707,807	24,479,926	27,357,854
16 Total Assets & Other Debits	\$72,913,027	\$77,549,640	\$79,594,224	\$82,988,005	\$78,209,853
CURRENT LIABILITIES					
17 Accounts Payable	\$47,237,504	\$45,705,044	\$31,906,723	\$31,197,145	\$25,401,170
18 Notes Payable			5,600,000		
19 Advanced Billings	297,937	331,380	331,528	332,497	268,093
20 Customer Deposits	15,204	30,219	32,376	45,818	102,460
21 Current Maturities - Long-Term Debt			1,138,974	1,518,633	1,518,633
22 Current Deferred Income Taxes					(1,148)
23 Other Current Liabilities	1,370,344	1,289,811	4,466,913	5,071,101	2,412,130
24 Total Current Liabilities	48,920,989	47,356,454	43,476,514	38,165,194	29,701,338
LONG-TERM DEBT					
25 Long-Term Debt				1,138,974	2,657,606
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes			(234,808)	607,253	2,267,496
28 Other Deferred Credits	234,775	234,775	234,775	234,775	234,775
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	6,007,033	8,094,819	9,914,990	6,554,035	5,766,912
31 Total Other Liab. and Def. Credits	6,241,808	8,329,594	9,914,957	7,396,063	8,269,183
STOCKHOLDER'S EQUITY					
32 Common Stock			62,188	59,975	59,908
33 Preferred Stock			500,000	500,000	500,000
34 Other Paid in Capital	18,127,623	22,120,379	(71,191)	(706,199)	(1,097,469)
35 Retained Earnings	(377,393)	(256,787)	25,711,756	36,433,998	38,119,287
36 Total Stockholder's Equity	17,750,230	21,863,592	26,202,753	36,287,774	37,581,726
37 Total Liab. and Stockholder's Equity	\$72,913,027	\$77,549,640	\$79,594,224	\$82,988,005	\$78,209,853

Warwick Valley Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2013	2012	2011	2010	2009	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$3,057,576	\$3,090,653	\$3,061,579	\$2,875,748	\$3,026,623	1
Network Access Services	7,845,008	8,262,437	8,169,999	9,774,813	8,801,159	2
Long Distance Network Services	155,790	62,956	229,576	232,061	612,767	3
Miscellaneous Revenues	2,367,676	2,496,340	2,812,638	2,986,327	3,519,253	4
Less: Uncollectible Revenues	(245,602)	365,000	165,000	242,500	330,000	5
Total Operating Revenues	13,671,651	13,547,386	14,108,792	15,626,449	15,629,802	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses		5,078				7
General Support Expenses	252,455	476,042	413,200	568,732	560,798	8
Central Office Switching	284,459	571,620	415,925	473,539	622,072	9
Operator Systems Expense						10
Central Office Transmission	944,719	979,227	1,180,593	1,538,482	1,598,115	11
Info. Origination/Termination	715,947	787,135	1,023,343	1,000,452	974,710	12
Cable & Wire Facilities	441,605	523,043	433,695	334,528	431,718	13
Total Plant Specific Operations	2,639,185	3,342,145	3,466,756	3,915,733	4,187,413	14
Other Plant, Property & Equipment		14,255			1,523	15
Network Operations	578,853	623,630	666,205	888,670	694,823	16
Access Expense	50,544	71,792	86,449		(379)	17
Depreciation and Amortization	3,199,292	3,283,309	3,769,571	4,067,126	4,106,702	18
Total Plant Non-Specific Operations	3,828,689	3,992,986	4,522,225	4,955,796	4,802,669	19
Marketing Expense	346,564	447,523	1,009,146	1,424,758	1,401,199	20
Services Expense	1,280,090	1,938,519	2,400,099	2,594,317	2,381,235	21
Total Customer Operations	1,626,654	2,386,042	3,409,245	4,019,075	3,782,434	22
Executive & Planning	383,446	1,814,610	1,415,596	1,484,842	1,035,212	23
General & Administrative	4,149,315	5,206,143	4,770,990	3,121,980	3,874,853	24
Provision - Uncollectible Notes Rec.						25
Other			40,142			26
Total Corporate Operations	4,532,761	7,020,753	6,226,728	4,606,822	4,910,065	27
Total Operations Expense	12,627,289	16,741,926	17,624,954	17,497,426	17,682,581	28
Other Operating Income & Expenses	1,928		(85,137)	8,912		29
State & Local Income Taxes						30
Other Taxes	1,169,540	1,191,372	1,034,840	1,088,358	1,233,719	31
Net Operating Income Before FIT	(123,250)	(4,385,912)	(4,636,139)	(2,950,423)	(3,286,497)	32
Investment Tax Credits - Net						33
Federal Income Taxes		926,993	833,430	3,117,273	2,885,656	34
Provision - Def. Operating Income Taxes - Net						35
Net Operating Income	(\$123,250)	(\$5,312,905)	(\$5,469,569)	(\$6,067,696)	(\$6,172,153)	36

Warwick Valley Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2013	2012	2011	2010	2009
37 Net Operating Income	(\$123,250)	(\$5,312,905)	(\$5,469,569)	(\$6,067,696)	(\$6,172,153)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income		2,709	98,156	132,512	51,665
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property	40,548	59,723	77,594	143,261	97,202
43 Equity in Earnings of Affiliated Companies		(5,163,008)	(4,075,338)	(3,241,114)	323,799
44 Other Non-Operating Income		8,860,281	7,930,786	12,616,060	12,502,530
45 Special Charges	37,456	(838,645)	(1,131,423)	428,210	32,067
46 Total Non-Operating Income & Expenses	3,092	4,598,350	2,899,775	9,222,509	12,943,129
NON-OPERATING TAXES					
47 Federal Income Taxes					
48 Other					
49 Total Non-Operating Taxes					
50 Income Available Before Interest Charges	(120,158)	(714,555)	(2,569,794)	3,154,813	6,770,976
INTEREST CHARGES					
51 Interest on Funded Debt		10,080	161,933	99,231	148,159
52 Other Interest Expense	448	342,963	580	666	(47,519)
53 Total Interest Charges	448	353,043	162,513	99,897	100,640
54 Income Before Extraordinary & Nonreg Items	(120,606)	(1,067,598)	(2,732,307)	3,054,916	6,670,336
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$120,606)	(\$1,067,598)	(\$2,732,307)	\$3,054,916	\$6,670,336
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$256,787)	\$25,711,756	\$36,433,998	\$37,795,488	\$35,092,818
60 Transferred from Income	(120,606)	(1,067,598)	(2,732,307)	3,036,167	6,346,536
61 Appropriations					
Dividends Declared:					
62 Preferred Stock			25,000	25,000	25,000
63 Common Stock			5,769,890	5,198,512	4,735,742
64 Adjustments		24,900,945	2,195,045	825,855	1,116,876
65 Ending Year Balance	(377,393)	(256,787)	25,711,756	36,433,998	37,795,488
66 Appropriated/Undistr Affiliate Retained Earnings					323,799
67 Total Retained Earnings	(\$377,393)	(\$256,787)	\$25,711,756	\$36,433,998	\$38,119,287