

ANNUAL REPORT

Of

**PENNYRILE RURAL ELECTRIC
COOPERATIVE CORP.**

For The Year Ended June 30, 2010

To

TENNESSEE VALLEY AUTHORITY

Pennyrije Rural Electric Cooperative Corporation

Name of Organization

2000 Harrison Street Hopkinsville, KY 42241-0551

Address

Tennessee Valley Authority
1101 Market Street
Chattanooga, Tennessee 37402-2801

Gentlemen:

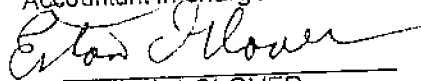
We are transmitting herewith our annual report for the year ended June 30, 2010. The report is in agreement with the books of account, and to the best of our knowledge and belief the statements therein contained are true and correctly reflect the financial condition at June 30, 2010, and the results of our electric operations for the year ended on that date.

Our books of account have been kept in accordance with the provisions of the power contract between this organization and the Tennessee Valley Authority, and are consistent with the requirements of the Federal Energy Regulatory Commission's system of accounts.

(Signed)


SANDY GROGAN

Accountant in charge of books


ESTON GLOVER

Manager

9/12/10

Date transmitted

TVA Act of 1933

In fulfilling the responsibilities of the TVA Act of 1933 [16 U.S.C. #831i and 831n-4(f)], TVA requires each distributor to provide certain financial and accounting information to TVA to ensure that electric power produced by TVA is being sold at rates which are as low as feasible. This form (TVA 3957) is for that purpose.

Public reporting burden for this collection of information is estimated to vary from ten to forty hours per response, with an average of nineteen hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Agency Clearance Officer, Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ASSETS AND OTHER DEBITS		BALANCE SHEET		JUNE 30	
		SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
UTILITY PLANT					
Electric Plant	10	1	163,507,941.73	163,091,852.24	
Less Depreciation	10	2	47,855,638.19	45,378,069.31	
Total	10	3	115,652,303.54	117,713,782.93	
Unamortized acq. adj.	13	4			
Other utility plant - net.	---	5			
Total Plant - net.	---	6	115,652,303.54	117,713,782.93	
OTHER PROPERTY AND INVESTMENTS					
Nonutility property - net.	15	7		1,378,563.76	
Other investments	14	8	1,576,968.40		
Sinking funds	15	9			
Depreciation funds	15	10			
Other special funds	15	12			
Total	---	13	1,576,968.40	1,378,563.76	
CURRENT AND ACCRUED ASSETS					
General cash and temporary cash investments	14	14	20,374,352.65	10,628,492.04	
Accounts receivable	16	15	10,594,078.30	12,394,403.66	
Materials and supplies	17	16	690,838.32	895,077.56	
Prepayments	17	17	191,227.67	250,769.38	
Other current assets	17	18	1,946,709.68	2,322,940.55	
Total	---	19	33,797,206.62	26,491,683.19	
DEFERRED DEBITS					
Debt expense	17	20		12,900.17	
Preliminary survey	---	21	15,831.37		
Clearing accounts	---	22		2,093,962.74	
Energy Service Loans Receivables	---	24	2,144,707.67		
Deferred costs on TVA Leases	17	25		24,385,333.66	
Other deferred debits	17	26	22,405,041.93	26,492,196.57	
Total	---	27	24,565,580.97		
TOTAL ASSETS AND OTHER DEBITS	---	28	175,592,059.53	172,076,226.45	

LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

LIABILITIES AND OTHER CREDITS		BALANCE SHEET		JUNE 30	
		SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
CAPITAL					
Membership certificates	---	30	802,588.73	776,553.02	
EARNINGS REINVESTED IN SYSTEM ASSETS					
Beginning of year	---	33	63,843,117.73	60,267,542.15	
Current year	3	34	4,668,825.58	3,536,975.58	
Total	---	35	68,511,943.31	63,804,517.73	
LONG-TERM DEBT					
RUS	23	36	7,586,290.12	7,217,481.10	
CFC	23	37		24,011,378.08	
CoBank	23	38	17,190,595.73	49,824,653.06	
Bonds and other long-term debt	25	39.1	51,954,325.33		
TVA	25	39.3			
Debt premium and discount	---	40		81,053,512.24	
Total	---	41	76,731,211.18		
OTHER NON-CURRENT LIABILITIES					
Postretirement Benefits	25	39.2	1,495,800.00	1,378,500.00	
Energy Service Loans - Advances	---	42	2,162,239.25	2,123,081.65	
Energy Service Loans - Other	---	43	1,986,160.13	2,094,309.13	
Total	---	44	5,644,199.38	5,595,890.78	
CURRENT AND ACCRUED LIABILITIES					
TVA notes payable	26	45.1			
Other notes payable	26	45.2		11,900,552.98	
Accounts payable	26	46	14,824,274.75	4,852,166.31	
Customer deposits	26	47	5,153,552.82	788,516.54	
Taxes and equivalents accrued	29	48	808,353.43	6.46	
Interest accrued - RUS	23	49			
Interest accrued - CFC	23	50		109,526.45	
Interest accrued - CoBank	23	51	85,676.71		
Interest accrued - TVA	26	52.1			
Interest accrued - other	26	52.2		1,627,489.14	
Other current liabilities	26	53	1,846,559.32	19,278,257.88	
Total	---	54	22,518,417.03		
DEFERRED CREDITS					
Advances for construction - refundable	18	55	208,599.80	249,336.91	
Other deferred credits	26	56	1,175,100.10	1,318,157.89	
Total	---	57	1,383,699.90	1,567,494.80	
TOTAL LIABILITIES AND OTHER CREDITS	---	58	175,592,059.53	172,076,226.45	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

REVENUE AND EXPENSE STATEMENT	SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
OPERATING REVENUE				
Electric sales revenue (page 7, item 332)	---	59	106,973,887.14	113,836,320.95
Revenue from late payments	---	60	626,519.41	680,631.77
Misc. service revenue	---	61	149,975.00	157,875.00
Rent from electric property	---	62	1,206,080.62	1,068,136.29
Other electric revenue	---	63	42,072.86	72,070.15
Total operating revenue	---	64	108,998,535.03	115,815,034.16
PURCHASED POWER				
Total power cost (page 7, item 342)	7	65	79,931,432.93	86,260,110.30
OPERATION EXPENSE				
Transmission expense	5	66	7,446.35	7,933.70
Distribution expense	5	67	4,322,934.60	3,817,615.94
Customer accounts expense	5	68	2,153,410.05	1,997,858.40
Customer service and informational expense	5	69	128,164.08	122,440.22
Sales expense	5	70	328,985.95	241,170.91
Administrative and general expense	6	71	2,724,098.67	2,537,811.68
Operation expense	6	72	9,665,039.70	8,724,830.85
MAINTENANCE EXPENSE				
Transmission expense	6	73		4,525,343.05
Distribution expense	6	74	3,692,543.02	160,403.30
Administrative and general expense	6	75	214,676.16	4,685,746.35
Maintenance expense	6	76	3,907,219.18	
OTHER OPERATING EXPENSE				
Depreciation expense	12	77	5,559,255.98	5,363,991.28
Amortization of acquisition adjustment	13	78		3,136,434.18
Taxes and tax equivalents	29	79	2,929,457.31	8,500,425.46
Other operating expense	---	80	8,488,713.29	
TOTAL OPERATING EXPENSE AND PURCHASED POWER	---	81	101,992,405.10	110,171,112.96
INCOME				
Operating income (item 64, less item 81)	---	82	7,006,129.93	5,643,921.20
Other income	16	83	1,194,691.74	1,983,307.89
Total income	---	84	8,200,821.67	7,627,229.09
Miscellaneous income deductions	16	85	88,334.78	117,875.99
Net income before debt expense	---	86	8,112,486.89	7,509,353.10
DEBT EXPENSE				
Interest on long-term debt - RUS	23	87	660,748.00	679,989.97
Interest on long-term debt - CFC	23	88		1,051,963.52
Interest on long-term debt - CoBank	23	89	806,491.22	1,968,562.72
Interest on long-term debt - other	26	90.1	1,684,385.47	
Interest - TVA	26	90.2		271,861.31
Other interest expense	---	92	292,036.62	
Amortization of debt discount and expense	---	93		
Amortization of premium on debt - credit	---	94		
Total debt expense	---	95	3,443,661.31	3,972,377.52
NET INCOME				
Net income before extraordinary items (item 86, less item 95)	---	96	4,668,825.58	3,536,975.58
Extraordinary items	33	97		3,536,975.58
Net Income	2	98	4,668,825.58	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

STATEMENT OF CASH FLOWS

Increase (Decrease) in Cash and Cash Equivalents

	THIS YEAR	LAST YEAR
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Net Income	4,668,825.58	3,536,975.58
Adjustments to Reconcile Net Income to Net Cash:		
Depreciation		
Amortization of:		
Acquisition Adjustment		
Additions to TVA Leases		
Debt Premium or Discount		
(Gain) or Loss on Sale of Plant		
Changes in Current and Deferred Items:		
Accounts Receivable	1,800,325.36	(2,097,792.24)
Materials and Supplies	204,239.24	203,568.94
Prepayments and Other Current Assets	435,772.58	(141,138.25)
Deferred Debits	1,977,360.53	(1,280,666.60)
Accounts Payable	2,723,721.77	(55,250.73)
Customer Deposits	301,386.51	405,407.52
Taxes and Interest Accrued	(4,019.31)	15,202.49
Other Current Liabilities	219,070.18	275,981.22
Deferred Credits	(183,794.90)	381,711.09
Other	38,600.00	(246,800.00)
Net Cash Provided by (Used In) Operating Activities	18,144,477.96	6,740,538.42
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Additions to Plant	(3,337,962.87)	(13,794,085.34)
Removal Cost	(1,033,734.71)	(829,967.69)
Salvage	470,186.55	455,074.80
Net Change in Other Property and Investment	(198,404.64)	(206,283.13)
Energy Service Loans Receivable	(50,744.93)	(269,038.97)
Plant Sold (Purchased) - Noninstallment Method		
Deferred Costs on TVA Leases (excluding amortization)		
Other	(4,150,660.60)	(14,644,300.33)
Net Cash Provided by (Used in) Investing Activities		
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Additional Long-Term Borrowings		8,000,000.00
Payment of Principal on Long-Term Debt	(4,322,301.06)	(4,143,188.77)
Notes Payable		25,747.18
Memberships	26,035.71	1,613,298.23
Energy Service Loans Advances	(68,991.40)	
Receipt for Plant Sold - Installment Method		
Payment for Plant Purchased - Installment Method	117,300.00	405,700.00
Other	(4,247,956.75)	5,901,556.64
Net Cash Provided by (Used In) Financing Activities		
NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS ..	9,745,880.61	(2,002,205.27)
CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR	10,628,492.04	12,630,697.31
CASH AND TEMPORARY INVESTMENTS END OF YEAR	20,374,352.65	10,628,492.04

NOTE: Cash and Temporary Cash Investments include cash on hand and in demand deposits, and those investments which are generally a part of the power distributor's short-term cash management activities.

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
	OPERATING EXPENSE				
	1. TRANSMISSION				
560	Supervision and engineering.....	2,988.73	3,153.74		19.75
561	Load dispatching.....	4,457.62	4,779.96		
562	Station expense.....				
563	Overhead line expense.....				
564	Underground line expense.....				19.75
566	Miscellaneous.....	7,446.35	7,933.70		
567	Rents.....				
(600)	Total transmission operating expense (page 3, item 66)	96,050.97	80,996.43	54,121.51	44,753.04
	2. DISTRIBUTION				
580	Supervision and engineering.....	212,260.49	214,464.12	37,112.49	32,034.71
581	Load dispatching.....	2,429,698.28	2,006,908.21	576,296.63	438,750.97
582	Station expense.....	138,808.26	141,863.26	11,923.28	14,319.19
583	Overhead line expense.....	59,532.77	48,666.68	22,781.09	17,153.96
584	Underground line expense.....	468,126.20	440,708.68	122,390.08	93,602.13
585	Street lighting and signal system expense.....	234,465.78	222,394.48	110,728.19	97,750.85
586	Meter expense.....	560,798.33	534,015.25	242,465.04	223,535.80
587	Customer installation expense.....	123,193.52	127,598.83		(14.54)
588	Miscellaneous.....	4,322,934.60	3,817,615.94	1,177,818.31	961,886.11
589	Rents.....				
(605)	Total distribution operating expense (page 3, item 67)	213,084.93	193,411.92	131,346.36	119,832.23
	3. CUSTOMER ACCOUNTS EXPENSE				
901	Supervision.....	198,712.66	159,797.08	72,835.47	60,169.15
902	Meter reading expense.....	1,659,182.92	1,557,839.04	658,358.80	620,199.93
903	Customer records and collection expense.....	61,261.67	75,752.12		
904	Uncollectible accounts.....	11,167.87	11,058.24		
905	Miscellaneous.....	2,153,410.05	1,997,858.40	862,540.63	800,201.31
(610)	Total customer accounts expense (page 3, item 68)	15,905.82	13,270.69	9,634.58	7,687.81
	4. CUSTOMER SERVICES & INFORMATIONAL EXPENSE				
907	Supervision.....	39,209.25	36,749.26	8,099.35	6,787.49
908	Customer assistance expense.....	73,195.01	71,913.46	6,330.62	5,718.42
909	Customer assistance and instructional advertising expense.....	(106.00)	506.81		31.75
910	Informational and instructional advertising expense.....	128,164.08	122,440.22	24,064.55	20,225.47
(615)	Total customer services and informational expense (page 3, item 69)	260,345.86	170,287.80	124,683.66	117,446.63
	5. SALES EXPENSE				
911	Supervision.....	26,038.09	24,128.86	6,358.25	5,084.63
912	Demonstrating and selling expense.....	42,602.00	46,754.25		
913	Advertising expense.....	328,985.95	241,170.91	131,041.91	122,531.26
916	Miscellaneous.....				
(620)	Total sales expense (page 3, item 70)				

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
	5. ADMINISTRATIVE & GENERAL				
920	Administrative and general salaries.....	1,128,980.25	1,023,980.65		
921	Office supplies and expense.....	214,974.11	230,415.01		
922	Administrative expense transferred - credit*		74,277.74	693,172.21	635,510.45
923	Outside services employed.....	105,656.27			
924	Property insurance.....	295,109.71	283,609.02	60,522.31	50,903.08
925	Injuries and damages.....	238,454.56	200,678.06		
926	Employee pensions and benefits.....				
927	Franchise requirements*.....		(33,753.25)	16,595.99	14,463.92
928	Regulatory commission expense.....	(30,417.74)	758,604.45		
929	Duplicate charges - credit.....	771,341.51		770,290.51	700,877.45
930	Miscellaneous general expense.....	2,724,098.67	2,537,811.68	2,965,755.91	2,605,741.35
931	Rents.....	9,665,039.70	8,724,830.85		
(625)	Total administrative and general expense (page 3, item 71).....				
(630)	Total operating expense (Page 3 Item 72).....				
	MAINTENANCE EXPENSE				
	1. TRANSMISSION				
568	Supervision and engineering.....				
569	Maintenance of structures.....				
570	Maintenance of station equipment.....				
571	Maintenance of overhead lines.....				
572	Maintenance of underground lines.....				
573	Miscellaneous.....				
(635)	Total transmission maintenance expense (page 3, item 73).....	76,742.32	67,106.73	45,502.34	38,701.50
	2. DISTRIBUTION				
590	Supervision and engineering.....				
591	Maintenance of structures.....	90,455.54	110,695.36	33,478.41	39,894.69
592	Maintenance of station equipment.....	3,335,431.56	4,167,307.37	792,126.97	1,605,264.29
593	Maintenance of overhead lines.....	16,101.98	15,020.76	3,512.31	3,898.30
594	Maintenance of underground lines.....	120,171.07	106,183.88	13,677.35	17,064.00
595	Maintenance of line transformers.....	7,191.33	5,634.54	3,092.30	2,115.20
596	Street lighting and signal systems.....	35,864.04	38,196.45	15,737.01	18,541.24
597	Maintenance of meters.....	10,585.18	15,197.96	5,671.73	8,146.07
598	Maintenance of miscellaneous distribution plant.....				
(640)	Total distribution maintenance expense (page 3, item 74).....	3,692,543.02	4,525,343.05	912,798.42	1,733,725.29
	3. ADMINISTRATIVE & GENERAL				
935	Maintenance of general plant (page 3, items 75).....	214,676.16	160,403.30	13,694.94	5,230.31
(645)	Total maintenance expense (page 3, item 76).....	3,907,219.18	4,685,746.35	926,493.36	1,738,955.60
(655)	Total operating and maintenance expense.....	13,572,258.88	13,410,577.20	3,892,249.27	4,344,696.95
(660)	Total direct and indirect payroll charged to construction and retirements.....			1,936,344.36	1,438,574.70
(662)	Payroll charged to other accounts.....			641,968.98	880,925.71
(665)	Fiscal year net change in accrued leave account - (increase) decrease.....			(2,076.43)	(28,578.94)
	Total payroll distribution for year.....			6,468,486.18	6,635,618.42

*FURNISH DETAILS OF THESE ACCOUNTS ON PAGES 32 AND 33.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

CLASS OF SERVICE	ITEM NO	REVENUE		ITEM NO	KILOWATT-HOURS SOLD	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
		Residential.....	100		57,481,979.68	60,427,798.04
Gen. Power - 50 kW & under.....	101	9,486,364.65	9,505,866.66	108	80,572,760	76,383,177
Gen. Power - Over 50 kW.....	102	38,771,817.94	42,059,398.59	109	466,602,478	460,335,017
Street and athletic.....	103	429,910.21	456,328.56	110	3,948,623	3,826,284
Outdoor lighting.....	104	1,207,956.83	1,322,527.32	111	12,359,015	12,332,223
Subtotal.....	330	107,378,029.31	113,771,919.17			
Unbilled revenue*.....	331	(404,142.17)	64,401.78	335	1,157,449,549	1,125,928,857
Total (page 3, item 59).....	332	106,973,887.14	113,836,320.95	113	294,910	304,869
Kilowatt-hours for own use.....				114	1,157,744,459	1,126,233,726
Total kilowatt-hours sold and used.....				336	43,780,658	655,096
Kilowatt-hours in unbilled revenue (items 331) above*.....						

STATE	SALES TAX	TO ABOVE CLASSES OF REVENUE	CREDITS	GREEN POWER REVENUE
KY	2,178,884.90	Residential.....		2,755.33
		Gen. Power - 50 kW & under.....		
		Gen. Power - Over 50kW....	1,036,251.18	
Total	2,178,884.90			

TVA	ITEM NO	PURCHASED POWER AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
		Purchased Power.....	115		82,365,939.57	86,433,672.69
Facilities Rental.....	116	1,704,299.69	1,725,477.66			
Other Charges/Credits.....	117			122	1,273,431,097	1,179,566,302
Total from TVA.....	118	84,070,239.26	88,159,150.35	222		
Other Purchased Power**.....	218					
Subtotal.....	340	84,070,239.26	88,159,150.35			
Unbilled Purchases*.....	341	(4,138,806.33)	100,959.95			
Total (page 3, item 65).....	342	79,931,432.93	88,260,110.30	345	1,273,431,097	1,179,566,302
Less kilowatt hours sold and used (item 114).....				123	1,157,744,459	1,126,233,726
Line losses and kilowatt-hours unaccounted for.....				124	115,686,638	53,332,576
Percent of losses to purchases (2 decimal places).....				125	9.09	4.52
Kilowatt-hours in unbilled purchases (Item 341) above*.....				346	(51,697,804)	1,261,090

**Purchased other power under contract number _____ from _____

CLASS OF SERVICE	NUMBER OF CUSTOMERS		MISCELLANEOUS DATA		
	MONTH OF JUNE		THIS YEAR	LAST YEAR	
	THIS YEAR	LAST YEAR			
Residential..... (675)	37,693	37,546	5,085.00	5,071.00	Pole Line Miles: (2 decimal places) (715)
Gen. Power - 50 kW & under.. (680)	8,586	8,530			Individual Outdoor Lts. (720)
Gen. Power - Over 50 kW.... (685)	580	546			No. in plant..... (720)
Street and athletic..... (690)	148	148			Total investment..... (725)
Outdoor Lighting - Excl. Code 77..... (693)	83	78			O&M expense..... (730)
Outdoor Lighting - Code 77... (695)	47,090	46,848			St. Ltg-Invest. Base... (735)
Total..... (697)	231	11,090			O&M expense..... (740)
					Lamps & Glassware... (745)

*Item nos. 331, 336, 341, and 346 are to be filled in only if distributor chooses the option to estimate unbilled electric sales.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

MODIFIED STREET LIGHTING COMPUTATION				
Give computation of modified street lighting rate relative to lamps and glassware by customers, if applicable:				
TOWN	COST OF LAMPS AND GLASSWARE	KWH		EXCESS TO BE BILLED
		FROM STAT. REPT.	ALLOWANCE KWH X .003	
ADAIRVILLE	21.57	84,076	252.23	
CADIZ	139.04	613,096	1,839.29	
APACHE HEIGHTS HOMEOWNERS	30.10	10,032	30.10	
ELKTON	204.49	337,716	1,013.15	
GUTHRIE	57.36	166,740	500.22	
HOPKINSVILLE	719.43	565,860	1,697.58	
LAFAYETTE	4.24	9,954	29.86	
LEWISBURG	8.48	129,292	387.88	
OLMSTEAD	7.84	4,224	12.67	
PEMBROKE	17.62	104,157	312.47	
TRENTON	9.76	79,612	238.84	
OAK GROVE	153.55	265,720	797.16	
RUSSELLVILLE	54.27	102,806	308.42	
KY DEPT OF HIGHWAY	30.79	260,579	781.74	
FT. CAMPBELL		228,093	684.28	
CHRISTIAN COUNTY	(17.20)	528	1.58	
LATHAM RICHARD K		(5,732)	(17.20)	
HARRIS C W JR.		1,584	4.75	
ROGERS GROUP		79,520	238.56	
DR. HART. - CADIZ SUBDIVISION		968	2.90	
TOTAL:	1,441.34	3,038,825	9,116.48	

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	DESCRIPTION	BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
ELECTRIC PLANT							
	INTANGIBLE						
301	Organization.....						
302	Franchises and consents.....						
303	Miscellaneous.....						
(750)	Total intangible.....						
	PRODUCTION						
755	Total production.....	71,983.04					71,983.04
	TRANSMISSION						
350	Land and land rights.....	55,160.21					55,160.21
351	Clearing land and rights of way.....	301,491.18					301,491.18
352	Structures and improvements.....						
353	Station equipment.....	359,408.03					359,408.03
354	Towers and fixtures.....	269,961.49					269,961.49
355	Poles and fixtures.....						
356	Overhead conductors and devices.....						
357	Underground conduit.....						
358	Underground conductors and devices.....						
359	Roads and trails.....						
(760)	Total transmission.....	1,058,003.95					1,058,003.95
	DISTRIBUTION						
360	Land and land rights.....	1,138,279.76	2,706.60	116.64			1,140,869.72
361	Structures and improvements.....	10,315,512.12	1,077.45				10,316,589.57
362	Station equipment.....						
363	Storage battery equipment.....	53,490,015.56	3,336,917.18	1,244,379.82			55,582,552.92
364	Poles, lowers, and fixtures.....	19,599,591.89	1,215,178.35	209,204.58			20,605,565.66
365	Overhead conductors and devices.....	414.56	357,500.06	9,902.62			5,014,413.01
366	Underground conduit.....	4,666,815.57	965,690.71	325,404.15			27,187,720.04
367	Underground conductors and devices.....	26,547,433.48	851,795.40	119,288.71			8,465,484.70
368	Line transformers.....	7,732,978.01	172,489.47	40,489.81			11,327,004.42
369	Services.....	11,195,004.76	490,508.91	288,887.76			5,242,949.85
370	Meters.....	5,041,328.70					1,799,168.45
371	Inst. on customers' premises.....		136,625.61	61,176.63			
372	Leased prop. on cust. premises.....	1,723,719.47					
373	St. lighting and signal systems.....		7,530,489.74	2,298,850.72			
(765)	Total distribution.....	141,451,093.88	7,530,489.74	2,298,850.72			146,682,732.90

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ELECTRIC PLANT

ACCT. NO.	BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
				DEBIT	CREDIT	
	653,541.83					653,541.83
389	5,216,476.00	16,317.73	3,602.05			5,229,191.68
390	1,983,693.26	111,607.72	22,915.90			2,072,385.08
391	4,986,659.37	777,741.48	542,088.94			5,222,311.91
392	303,375.16					303,375.16
393	561,977.14	46,868.86	49,240.88			559,599.12
394	168,567.65					168,567.65
395						
396	1,091,255.48	164,418.64	5,168.89			1,250,505.23
397	9,442.51					9,442.51
398						
399	14,974,988.40	1,116,954.43	623,022.66			15,468,920.17
(770)						
	157,484,086.23	8,647,444.17	2,921,873.38			163,209,657.02
101						
102						
104						298,284.71
105	5,607,766.01	(5,309,481.30)				298,284.71
107	5,607,766.01	(5,309,481.30)				
(775)						
	163,091,852.24	3,337,962.87	2,921,873.38			163,507,941.73
(780)		(Item 140)				
					47,855,638.19	
RESERVES						
108						
109						
110					47,855,638.19	115,652,303.54
Explanations of entries shown in the Reclassification Columns: Reclassification Columns Includes major corrections to prior years additions and retirements, transfers between accounts classified in prior years, and classification of plant purchased and/or sold.						

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCUMULATED PROVISION FOR DEPRECIATION (Page 10)

ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ORIGINAL COST	REMOVAL COST	SALVAGE	OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
							DEBIT	CREDIT		
350									38,960.11	71
351	4.00	36,755.95	2,204.16						213,693.23	71
352	4.00	201,645.71	12,047.52						220,200.98	61
353	4.00								144,108.72	53
354	4.00	205,839.02	14,361.96							
355	3.00	136,009.92	8,098.80							
357									615,963.04	58
358										
359		580,250.60	36,712.44							
(785) TOTAL			116.64							
360										
361		5,435,050.23	412,222.28						5,847,272.51	57
362	4.00									
363	3.25	13,045,165.09	1,787,087.14	1,244,379.82	717,503.67	92,058.11			12,962,426.85	23
364	2.50	5,751,943.95	502,766.73	209,204.58	119,449.88	78,033.55			6,004,089.77	29
365	3.00								390.00	94
366	3.00	746,045.41	146,022.25	9,902.62	5,326.03	700.09			877,539.10	18
367	3.00	9,362,997.27	804,848.89	325,404.15	71,841.43	41,717.15			9,812,317.73	36
368	3.00	2,250,308.02	369,603.71	119,288.71	70,638.62	25,127.20			2,455,111.60	29
369	4.50	33,829.10	626,845.59	40,489.81	5,585.35				625,770.23	6
370	3/6	1,620,677.27	412,698.72	288,887.76	159,274.27	20,940.10			1,606,154.06	31
371	8/5								988,266.75	55
372		938,937.20	140,700.12	61,176.63	34,584.63	4,390.69			41,179,338.60	28
373	8.00	39,185,343.54	5,202,912.07	2,298,850.72	1,178,618.53	268,552.24				
(790) TOTAL										
389	VAR	1,688,980.72	121,132.73	3,602.05	765.00				1,805,746.40	35
390	4/10/20	1,021,864.34	114,785.88	22,915.90					1,113,734.32	54
391	VAR	2,380,260.97	403,734.44	542,088.94	1,370.53	190,634.31			2,431,170.25	47
392	4.00	76,698.27	10,823.61						87,521.88	29
393	8.00	241,757.19	36,466.66	49,246.88					239,976.97	43
394	8.00	131,407.83	5,647.41						137,055.24	81
395	8.00								283,195.04	23
396	3.00	258,200.91	30,163.02	5,168.89					6,937.58	73
397	10.00	6,325.42	612.16							
398										
399										
(795) TOTAL		5,805,495.65	723,365.91	623,022.66	2,135.53	201,634.31			6,105,337.68	39
(800) OTHER		(193,020.48)		(147,019.35)					(46,001.13)	(15)
(805) TOTALS		45,378,069.31	5,962,990.42	2,921,873.38	1,033,734.71	470,186.55			47,855,638.19	29

*Use other entries to report depreciation on property purchased, classified/accruals, unusual entries - explain on page 33.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED

Depreciation expense (403 and 404) (page 3, item 77)	(810)	5,559,255.98
Depreciation charged to transportation expense - clearing	(815)	403,734.44
Depreciation charged to building expense - clearing	(820)	
Depreciation charged to other accounts (list each account number)	(825)	
.....	(830)	
.....	(835)	
.....	(840)	
Total accrual (page 11)	(Item 128)	5,962,990.42

Explanations (continue on page 33 if necessary)

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ELECTRIC PLANT ACQUISITION ADJUSTMENTS (Account 114)		AMOUNT
DESCRIPTION		
Balance beginning of year		
Additions during year (as below)		
Total		
Charged to expense (Account 406) (page 3, item 78)		
Other reductions (explain below)		
Balance end of year (page 1, item 4)		

ELECTRIC PLANT PURCHASED THIS YEAR*			TOTAL
From whom property acquired (abbreviate)			
Date acquired			
Original cost			
Corrections to date			
Total original cost			
Depreciation reserve at acquisition			
Corrections to date			
Total depreciation reserve			
Base contract purchase price			
Net additions			
Acquisition expense			
Other (explain below)			
Total purchase cost			
Acquisition adjustment (purchase cost, less original cost, net of depreciation)			

*If the original cost and depreciation at acquisition have not been determined for plant purchased this year, report the purchase information only and complete the schedule in the year the purchased plant is classified.

EXPLANATIONS
Give the method of amortizing the acquisition adjustment and other information as required:

CLASSIFICATION OF ELECTRIC PLANT PURCHASED OR SOLD							
Furnish aging of plant purchased and sold on separate worksheet							
ELECTRIC PLANT PURCHASED				ELECTRIC PLANT SOLD			
ACCT. NO.	ORIGINAL COST	DEPRECIATION RESERVE	NET PLANT	ACCT. NO.	ORIGINAL COST	DEPRECIATION RESERVE	NET PLANT
Total				Total			

GAIN OR LOSS ON SALE OF ELECTRIC PLANT	
Selling price	(Item 130)
Less net plant sold (as above)	
Difference	
Less selling expense	(Item 131)
Gain or loss on sale	(Item 129)

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

INVESTMENTS IN ASSOCIATED COMPANIES		(Report only the investments not considered as current assets)	
OTHER INVESTMENTS - GENERAL FUNDS			
Investments included in Accounts 123 and 124	BALANCE	INCOME	GAIN OR (LOSS) ON
DESCRIPTION OF INVESTMENTS	END OF YEAR		SALES
(GROUP BY TYPE OF INVESTMENT AND SHOW NO. OF INVESTMENTS)			
Class E Stock	918,765.76	245,844.16	
Investment in Federated Insurance Co.	180,522.00	29,275.00	
Long-Term Investment - KAEC	5,000.00	28.64	
Investment in PenWar - 500 shares	500.00		
Investment in Southeastern Data Corp. stock	100.00		
Investment - CFC	1,000.00		
Patronage Capital Alloc - SEDC	115,878.89	39,845.00	
Patronage - United Utility Supply	246,337.46	60,208.00	
Patronage - Arkansas Electric	10,436.25	2,855.49	
Patronage - KAEC	87,670.22	2,557.70	
Patronage - Logan Telephone Coop	10,757.82	2,502.16	
Patronage - Southern States Coop			
Subtotal	1,576,968.40	383,116.15	
	(page 1, item 8)	(account 419, page 16)	
INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS			
(Investments included in Accounts 125, 126, and 128 - page 15)			
Subtotal	(page 15)	(account 419, page 16)	
CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS			
(Report only investments considered as current assets)			
Cash - Temporary Cash Investments		295.43	
Cushion of Credit - Interest Income		449,940.21	
Repurchase Agreement		48,664.69	
Interest - District Bank Account		29.36	
Total Temporary Cash Investments	20,274,777.64	498,929.69	
	99,575.01		
CASH (Accounts 131 - 135)	20,374,352.65	498,929.69	
Subtotal	(page 1, item 14)	(account 419, page 16)	
	21,951,321.05	882,045.84	
Grand Total			

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	SPECIAL FUNDS			ACCOUNT 128 TOTAL OTHER SPECIAL FUNDS	TOTAL OF ALL SPECIAL FUNDS	
	ACCOUNT 125 TOTAL SINKING FUNDS	ACCOUNT 126 DEPRECIATION FUNDS	CONSTRUCTION FUNDS			
Cash included in fund end of year.						
Investments in fund end of year (page 14).....						
Balance of fund end of year (page 1).....	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)			
Minimum balance required*						
Authority creating fund**						
<p>* Explain difference if fund balance is less than minimum required. ** State whether fund is required by bond contract, board action, etc.</p>						
Total Sinking						
Depreciation						
Construction						
Other						
<p>Note: Report all debt service funds as sinking funds. Report all funds for renewals and replacements as depreciation funds.</p>						
	NONUTILITY PROPERTY (Account 121)			DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
DESCRIPTION AND LOCATION OF PROPERTY						
Total						(page 16)
Less accumulated provision for depreciation (account 122)						
Total net of depreciation (page 1, item 7)						(page 16)

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

OTHER INCOME

ACCT. NO.		
		342,937.43
415	Revenue from merchandising, jobbing, etc.	(30,333.05)
416	Cost and expense of merchandising, etc.	
417*	Income from nonutility operations - net of expense	
418	Nonoperating rental income - net of expense (page 15)	882,045.84
419	Interest and dividend income (page 14)	
419.1	Interest charged to construction	41.52
421*	Misc. nonoperating income - net of expense	1,194,691.74
(845)	Total other income (page 3, item 83)	

*Explain these items briefly:

417

421

Surge Protectors - \$39.92
Time Warner Dividends - \$1.60

MISCELLANEOUS INCOME DEDUCTIONS

ACCT. NO.		
425*	Miscellaneous amortization	88,334.78
426*	Miscellaneous income deductions	88,334.78
(850)	Total misc. income deductions (page 3, item 85)	

*Explain these items briefly:

425

426

Donations - \$71,332.95
Abandoned Work Orders - \$3,261.27
Employee Membership Dues - \$1,698.10
Counseling Committee - \$3,815.19
Frankfort/Washington Youth Tours - \$8,227.27

INVESTMENT PROCEDURES

Are investments in excess of \$100,000 secured? Yes No If yes, how?
U.S. Treasury obligations. Securities are held by third party and we have a safekeeping receipt.

RECEIVABLES

ACCT. NO.		
141	Notes receivable (Explain on page 33)	10,259,848.25
142	Customer accounts receivable	346,730.05
143	Other accounts receivable	
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due)	10,606,578.30
	Total	12,500.00
144	Accumulated provision for uncollectible accounts	10,594,078.30
	Accounts receivable net of reserve (page 1, item 15)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	MATERIALS AND SUPPLIES	
		594,393.38
154	Plant materials and operating supplies.....	85,199.03
155	Merchandise.....	11,245.91
156	Other materials and supplies.....	690,838.32
163	Stores expense undistributed.....	
(855)	Total materials and supplies (page 1, item 16).....	

Give dates of physical inventories this year: 12/11/2009
 Total of adjustments: \$ _____ over, or \$ 374.75 short

ACCT. NO.	PREPAYMENTS - Account No. 165	
		119,007.59
	Prepaid insurance.....	9,333.47
	Prepaid employee pension plan.....	
	Prepaid taxes (page 29).....	62,886.61
	Prepaid rents.....	191,227.67
	Other prepayments.....	
	Total prepayments (page 1, item 17).....	

ACCT. NO.	OTHER CURRENT ASSETS	
		30,960.65
171	Interest and dividends receivable.....	305,287.50
172	Rents receivable.....	1,610,461.53
173	Accrued utility revenue.....	
174	Miscellaneous current and accrued assets.....	1,946,709.68
	Total other current assets (page 1, item 18).....	

ACCT. NO.	DEFERRED DEBITS	
181	Unamortized debt expense (page 1, item 20).....	

Give method and period of amortization:

186	Deferred costs on TVA leases (page 1, item 25)		
	Additions		
	Removal Costs		
	Salvage		
	Accumulated Amortization		
	Total as above		22,405,041.93

186	Miscellaneous deferred debits (page 1, item 26)	
List of Items:		
	Receivables from plant sales (item 148)	
	Other items (list):	46,647.79
	Notes Receivable - PenWar, Inc. Customers	2,867,045.61
	Retirement Deferred Debit	19,491,348.53
	Notes Receivable - FTC - UESC	
	Total as above	22,405,041.93

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

CUSTOMER ADVANCES FOR CONSTRUCTION - REFUNDABLE (Account 252)					AMOUNT MATURING NEXT YEAR
BEGINNING BALANCE	ADDITIONS	REFUNDS	CONFISCATIONS*	ENDING BALANCE	
249,336.91		(54,055.33)	13,318.22	208,599.80	50,921.39
				(page 2, item 55)	

*Please list the FERC account numbers and amounts credited when advances were confiscated:
 252.01 \$13,318.22

The refundable customer advances for construction policy is as follows:
 Advance from mobile home required and will be refunded if mobile home becomes a permanent dwelling.

*Above amount is estimated; actual refunds will be determined FY2010.

NONREFUNDABLE CONTRIBUTIONS

The nonrefundable contribution in aid of construction policy is as follows:

Show the amounts of nonrefundable contributions and the FERC account numbers credited during the fiscal year.
 10720 \$355,998.87

PROPERTY OR CONTINGENCY COVERED	INSURANCE	
	HAZARD INSURED AGAINST	AMOUNT OF COVERAGE
Employee Injury	Worker's Compensation	1,000,000/1,000,000
Public Liability	Bodily Injury	2,000,000/2,000,000
Public Liability	Property Damage	2,000,000/2,000,000
Excess Public Liability	Catastrophes	19,000,000
Automobiles and Trucks	Property Damage & Bodily Injury	2,000,000/2,000,000
Buildings and Contents	Property Damage	42,689,552
Theft and Embezzlement	Crime	1,000,000
Directors and Officers	Personal Liability	10,000,000
Other: Earthquake	Direct Physical Loss	25,000,000
Fiduciary Limit of Liability	Fiduciary	2,000,000
Electromagnetic Field Liability	EFT	1,000,000

Pennyrile Rural Electric Cooperative Corporation
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE

DETAILS REGARDING BONDS ON PAGE MATURITIES: MONTH AND DAY 100	FEDERAL FINANCING BANK PENNYRILE 0003 0001		FEDERAL FINANCING BANK PENNYRILE 0001 0001		FEDERAL FINANCING BANK PENNYRILE 0001 0002	
	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
NAME OF ISSUE 200						
CALENDAR YEAR						
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200	FEDERAL FINANCING BANK PENNYRILE 0001 0003		FEDERAL FINANCING BANK PENNYRILE 0001 0004		FEDERAL FINANCING BANK PENNYRILE 0001 0005	
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
	FEDERAL FINANCING BANK PENNYRITE 0002 0001		FEDERAL FINANCING BANK PENNYRITE 0002 0002		FEDERAL FINANCING BANK PENNYRITE 0002 0003	
NAME OF ISSUE 200						
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200		FEDERAL FINANCING BANK PENNYRILE 0002 0004		FFB CUSHION OF CREDIT (RUS)		POST RETIREMENT BENEFITS DUE TO EMPLOYEES
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE					
DETAILS REGARDING BONDS ON PAGE					
MATURITIES: MONTH AND DAY 100					
NAME OF ISSUE 200					
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					
2050					
2051					
2052					
2053					
2054					
OUTSTANDING END OF YEAR 300					

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YRS)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLOTMENT (ACCOUNT 224.2)	AMOUNT REPAID THIS YEAR		DEFERRED INTEREST	OUTSTANDING END OF YEAR EXCLUDING CUSHION OF CREDIT
							PRINCIPAL	INTEREST		
01-4202	4/23/65	2.00	35	11/1977	401,629.46		3,931.28	19.82		388,731.61
02-1B250	7/28/83	5.00	35	11/1986	947,500.00		38,959.63	20,505.53		388,731.61
03-1B252	7/28/83	5.00	35	11/1986	947,500.00		38,959.63	20,505.53		1,519,376.40
04-1B275	6/19/95	5.00	35	01/1996	2,042,000.00		49,367.65	77,327.95		5,310,778.23
05-1B280	10/29/96	5.00	35	07/1998	6,626,000.00		141,049.30	269,427.62		3,153,295.27
06-1B285	2/2/98	5.00	35	07/1998	3,935,000.00		83,485.18	159,966.50		2,173,897.44
07-1B286	6/22/98	5.13	35	07/1998	2,691,000.00		56,208.57	113,001.51		
08-				/						
09-				/						
10-				/						
11-				/						
12-				/						
13-				/						
14-				/						
15-				/						
16-				/						
17-				/						
18-				/						
19-				/						
20-				/						
21-				/						
22-				/						
23-				/						
24-				/						
25-				/						
26-				/						
27-				/						
28-				/						
29-				/						
30-				/						
31-				/						
32-				/						
33-				/						
34-				/						
35-				/						
36-				/						
37-				/						
38-				/						
39-				/						
40-				/						
(860) Total					17,590,629.46		411,951.44	660,754.46		12,934,810.56
List Note Numbers Paid Monthly:			1B250	1B252	1B275	1B280	1B285	1B286		

*EXCLUDING CUSHION OF CREDIT.

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE NUMBER	DATE OF NOTE	INT. RATE	CFC OR COBANK	TERM OF NOTE (YR)	AMOUNT OF LOAN APPROVED	UNADVANCED LOAN	AMT PAID THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-377756	3/18/97	8.09	COBANK	35	5,680,000.00		32,658.46	155,133.56	1,871,616.58	1B280	30.00
02-377747	7/7/97	7.80	COBANK	35	3,547,000.00		54,308.36	248,726.52	3,112,340.77	1B280	30.00
03-1679742	10/31/03	4.90	COBANK	13	6,081,760.08		586,837.11	146,979.97	2,637,759.55		
04-105638	9/1/06	5.38	COBANK	10	9,171,343.00		728,207.90	366,505.03	6,372,527.55		
05-2194594	2/1/08	3.99	COBANK	3	11,500,000.00		3,905,404.98	176,741.41	2,023,659.34		
06-2215155	4/10/08	3.74	COBANK	3	4,500,000.00		1,513,365.54	78,909.76	1,172,691.94		
07-											
08-											
09-											
10-											
11-											
12-											
13-											
14-											
15-											
16-											
17-											
18-											
19-											
20-											
21-											
22-											
23-											
24-											
25-											
26-											
27-											
28-											
29-											
30-											
31-											
32-											
33-											
34-											
35-											
36-											
37-											
38-											
39-											
40-											
(865) Total.....					40,480,103.08		6,820,782.35	1,172,996.25	17,190,595.73		

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

LONG-TERM DEBT - RUS		AMOUNT
ACCT.	PRINCIPAL DATA	
224.1	Long-term debt - RUS.	12,934,810.56
224.2	Unadvanced RUS allotment - debit (page 21)	
224.3	Deferred interest - RUS.	
224.4	Long-term debt - RUS - matured and deferred.	
224.5	Cushion of credit - RUS - debit.	(5,348,520.44)
	Net balance due RUS as above (page 2, item 36).	7,586,290.12
	Total additions to RUS long-term debt this year. (Item 132)	
	Repayments for the year excluding advance payments. (Item 143)	411,951.44
INTEREST ACCRUED - RUS (Account 237.1)		AMOUNT
	Balance beginning of year (matured \$.00).	6.46
	Accrued during year (Account 427.1) (page 3, item 87) (page 26 summary).	660,748.00
	Repayments this year.	660,754.46
	Balance end of year (matured \$.00) (page 2, item 49)(page 26 summary).	
LONG-TERM DEBT - CFC		AMOUNT
ACCT.	PRINCIPAL DATA	
223.1	Subscriptions to CFC capital term certificates - debit.	
223.2	Unpaid subscriptions to CFC capital term certificates - credit.	
223.4	CFC loan approved - unadvanced - debit (page 22).	
223.5	Long-term debt - CFC credit.	
223.61	Patronage capital certificates - debit.	
223.62	Deferred patronage dividends - credit.	
	Net CFC account (account 223) (page 2, item 37).	
	Total additions to CFC long-term debt this year. (Item 135)	
	Repayments for the year excluding advance payments. (Item 144)	
INTEREST ACCRUED - CFC (Account 237.2)		AMOUNT
	Balance beginning of year (matured \$.00).	
	Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary).	
	Repayments this year.	
	Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary).	
LONG-TERM DEBT - COBANK		AMOUNT
ACCT.	PRINCIPAL DATA	
229.10	Long Term Debt - CoBank - credit.	17,190,595.73
229.20	Unadvanced allotment - CoBank - debit.	
229.30	Subscription to class "C" stock - CoBank - debit.	
229.40	Unpaid subscription to class "C" stock - CoBank - credit.	
229.50	Allocated earnings receivable - CoBank - debit.	
229.51	Allocated earnings deferred - CoBank - credit.	
	Net CoBank account (account 229) (page 2, item 38).	17,190,595.73
	Amount received on allotment this year. (Item 136)	
	Repayments this year. (Item 145)	6,820,782.35
INTEREST ACCRUED - COBANK (Account 237.6)		AMOUNT
	Balance beginning of year (matured \$.00).	(1,583,929.31)
	Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary).	806,491.22
	Repayments this year.	1,172,996.25
	Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary).	(1,950,434.34)

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0001
 Date of issue: 04/22/1999 Amount of original issue: \$ 3,500,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____ Issued or assumed: _____
 Revenue or general obligation bonds; Other - 228
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: **SYSTEM IMPROVEMENTS**

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	3,072,393.47	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	172,225.60
Total	3,072,393.47	Total	172,225.60
Bonds retired this year	64,798.52	Payments during year	172,225.60
Balance end of year	3,007,594.95	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	3,007,594.95	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0001 0002
 Date of Issue: 11/04/1999 Amount of original issue: \$ 4,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____ Issued or assumed: _____
 Revenue or general obligation bonds: Other - 228
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: **SYSTEM IMPROVEMENTS**

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	3,560,096.11	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	223,249.16
Total	3,560,096.11	Total	223,249.16
Bonds retired this year	68,550.32	Payments during year	223,249.16
Balance end of year	3,491,545.79	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	3,491,545.79	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0001 0003
 Date of Issue: 11/01/2000 Amount of original issue: \$ 6,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____ Issued or assumed: _____
 Revenue or general obligation bonds: Other - 228
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	5,300,995.83	Accrued beginning of year	313,192.59
Issued during year	5,300,995.83	Accrued during year (427.3)	313,192.59
Total	107,286.21	Total	313,192.59
Bonds retired this year	5,193,709.62	Payments during year	313,192.59
Balance end of year	5,193,709.62	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	5,193,709.62	Balance less matured (237.3)	

Name of Issue: POST RETIREMENT BENEFITS DUE TO EMPLOYEES
 Date of Issue: _____ Amount of original issue: \$ _____
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____ Issued or assumed: _____
 Revenue or general obligation bonds: PostRetirement - 228
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	1,378,500.00	Accrued beginning of year	
Issued during year	170,066.77	Accrued during year (427.3)	
Total	1,548,566.77	Total	
Bonds retired this year	52,766.77	Payments during year	
Balance end of year	1,495,800.00	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	1,495,800.00	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0004
 Date of issue: 05/23/2002 Amount of original issue: \$ 6,000,000.00
 Cash realized: \$ 6,000,000.00 Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....	5,070,281.64	Accrued beginning of year.....	
Issued during year.....		Accrued during year (427.3).....	217,214.85
Total.....	5,070,281.64	Total.....	217,214.85
Bonds retired this year.....	127,536.83	Payments during year.....	217,214.85
Balance end of year.....	4,942,744.81	Balance end of Year.....	
Including matured of (239).....		Including matured of (240).....	
Balance less matured (221).....	4,942,744.81	Balance less matured (237.3).....	

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0005
 Date of issue: 03/31/2003 Amount of original issue: \$ 5,533,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....	4,799,628.40	Accrued beginning of year.....	
Issued during year.....		Accrued during year (427.3).....	205,619.85
Total.....	4,799,628.40	Total.....	205,619.85
Bonds retired this year.....	120,728.87	Payments during year.....	205,619.85
Balance end of year.....	4,678,899.53	Balance end of Year.....	
Including matured of (239).....		Including matured of (240).....	
Balance less matured (221).....	4,678,899.53	Balance less matured (237.3).....	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0002 0001
 Date of issue: 07/01/2005 Amount of original issue: \$ 6,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	5,639,635.81	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	238,220.63
Total	5,639,635.81	Total	238,220.63
Bonds retired this year	105,809.51	Payments during year	238,220.63
Balance end of year	5,533,826.30	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	5,533,826.30	Balance less matured (237.3)	

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0002 0002
 Date of issue: 02/09/2006 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	7,611,918.95	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	359,305.74
Total	7,611,918.95	Total	359,305.74
Bonds retired this year	131,605.90	Payments during year	359,305.74
Balance end of year	7,480,313.05	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	7,480,313.05	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0002 0003
 Date of issue: 03/26/2007 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____ Issued or assumed: _____
 Revenue or general obligation bonds: Other - 228
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	7,732,266.24	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	374,796.60
Total	7,732,266.24	Total	374,796.60
Bonds retired this year	130,894.57	Payments during year	374,796.60
Balance end of year	7,601,371.67	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	7,601,371.67	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0002 0004
 Date of issue: 08/13/2007 Amount of original issue: \$ 3,462,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____ Issued or assumed: _____
 Revenue or general obligation bonds: Other - 228
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	3,371,251.04	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	170,787.92
Total	3,371,251.04	Total	170,787.92
Bonds retired this year	55,018.44	Payments during year	170,787.92
Balance end of year	3,316,232.60	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	3,316,232.60	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNRYLE 0003 0001
 Date of Issue: 02/06/2009 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	8,000,000.00	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	18,371.96
Total	8,000,000.00	Total	18,371.96
Bonds retired this year		Payments during year	18,371.96
Balance end of year	8,000,000.00	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	8,000,000.00	Balance less matured (237.3)	

Name of issue: FFB CUSHION OF CREDIT (RUS)
 Date of Issue: _____ Amount of original issue: \$ 1,291,912.99
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year		Accrued beginning of year	
Issued during year		Accrued during year (427.3)	
Total		Total	
Bonds retired this year	1,291,912.99	Payments during year	
Balance end of year	(1,291,912.99)	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	(1,291,912.99)	Balance less matured (237.3)	

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: _____ Amount of original issue: \$ _____
 Date of issue: _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 Cash realized: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____ Denominations: \$ _____
 Interest due dates: _____ Principal due dates: _____
 Agent for paying principal and interest: _____ Issued or assumed: _____
 Revenue or general obligation bonds: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year		Accrued beginning of year	
Issued during year		Accrued during year (427.3)	
Total		Total	
Bonds retired this year		Payments during year	
Balance end of year		Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)		Balance less matured (237.3)	

SUMMARY OF LONG-TERM DEBT - BONDS (Account 221) AND OTHER (Account 228)

	ACCOUNT 221	OTHER* ACCOUNT 228	TOTAL*	POST- RETIREMENT BENEFITS ACCOUNT 228	TVA ACCOUNT 228
Balance beginning of year		54,158,467.49	54,158,467.49	1,378,500.00	
Issued during year (Item 137)				170,066.77	
Total		54,158,467.49	54,158,467.49	1,548,566.77	
Bonds retired this year (Item 146)		2,204,142.16	2,204,142.16	52,766.77	
Balance end of year		51,954,325.33	51,954,325.33	1,495,800.00	
Including matured of (239) (Item 147)					
Balance less matured (221)		51,954,325.33	51,954,325.33	1,495,800.00	

(page 2, item 39.1) (page 2, item 39.2) (page 2, item 39.3)

SUMMARY OF INTEREST ACCRUED - LONG-TERM DEBT (Account 237)

	TOTAL
Accrued beginning of year	2,292,984.90
Accrued during year (427.3) (page 26)	2,292,984.90
Total	2,292,984.90
Payments during year	
Balance end of year	
Including matured of (240)	
Balance less matured (237.3) (page 26)	

*Less TVA Long-term Debt and Postretirement Benefits

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTES PAYABLE (Account 231)											
PRINCIPAL DATA						INTEREST ACCRUED					
Balance beginning of year.						Accrued beginning of year.					
New notes issued during year.						Accrued during year (as below).					
Total.						Total.					
Notes retired this year.						Payments during year.					
Balance end of year.						Balance end of year (as below).					
Portion of balance TVA (page 2, item 45.1).											
Portion of balance non-TVA (page 2, item 45.2).											
CUSTOMER DEPOSITS (Account 235)											
Balance accrued interest on customer deposits end of year.										134,425.99	
Balance customer deposits end of year (Account 235).										5,019,126.83	
Total customer deposits (page 2, item 47).										5,153,552.82	
SUMMARY OF ACCRUED INTEREST AND INTEREST EXPENSE											
ACCT. NO.	DESCRIPTION	FROM PAGE NO.	REPORT ON BALANCE SHEET AS INDICATED BELOW				REPORT ON REVENUE AND EXPENSE STATEMENT AS INDICATED BELOW				
			ACCT. NO.	PAGE NO.	ITEM NO.	ACCRUED END OF YEAR	ACCT. NO.	PAGE NO.	ITEM NO.	EXPENSE FOR YEAR	
221	Bonds	25	237.3	2	52.2		427.3	3	90.1		
223	CFC	23	237.2	2	50		427.2	3	88		
224	RUS	23	237.1	2	49		427.1	3	87	660,748.00	
229	CoBank	23	237.6	2	51	(1,950,434.34)	427.4	3	89	806,491.22	
228	TVA long term	25	237.3	2	52.1		427.3	3	90.2		
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	2,292,984.90	
231	TVA Notes Payable	Above	237.5	2	52.1		431	3	90.2		
231	Other notes payable	Above	237.5	2	52.2		431	3	92		
235	Customer Deposits	Above	235	Above	—		431	3	92	292,036.62	
—	Delinquent taxes	—	237.5	2	52.2		431	3	92		
Total interest accrued end of year.						(1,950,434.34)	Net expense for year. ...				4,052,260.74
Total item 49 (page 2)							Total item 87 (page 3) ...				660,748.00
Total item 50 (page 2)							Total item 88 (page 3) ...				
Total item 51 (page 2)						(1,950,434.34)	Total item 89 (page 3) ...				806,491.22
Total item 52.1 (page 2)							Total item 90.1 (page 3) ...				2,292,984.90
Total item 52.2 (page 2)							Total item 90.2 (page 3) ...				
							Total item 92 (page 3) ...				292,036.62
ACCOUNTS PAYABLE											
ACCT. NO.										14,624,274.75	
232	Accounts payable - general (includes \$13,949,410.70 to TVA for purchased power and Fac.Rental).										
232	Accrued purchased power.										
233	Accounts payable - spec. const.										
234	Payable to municipal - utility revenue.										
234	Other payables to municipality.										
Total accounts payable - general (page 2, item 46).										14,624,274.75	
OTHER CURRENT AND ACCRUED LIABILITIES											
ACCT. NO.											
239	Matured long-term debt (pages 23, 24, and 25).										
240	Matured interest (pages 23, 24, and 25).									209,885.97	
241	Tax collections payable.										
242	Miscellaneous - accrued insurance.									233,890.70	
242	Miscellaneous - employees' accrued leave.									1,402,782.65	
242	Miscellaneous - other.									1,846,559.32	
Total other current and accrued liabilities (page 2, item 53).											
OTHER DEFERRED CREDITS (Account 253)											
Payables for plant purchases; (item 149)										1,175,100.10	
Other items (List): See Page 33.											
Total other deferred credits (page 2, item 56)											
Total other deferred credits (page 2, item 56)										1,175,100.10	

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT								
<input checked="" type="radio"/> TAX, OR <input type="radio"/> TAX EQUIVALENT		DISTRICT	TN. EQUALIZATION RATIO	STATE ASSESSMENT RATIO	TAX ASSESSMENT OR VALUATION	RATE PER \$100	TAX OR EQUIVALENT FOR TAX PERIOD	AMOUNT APPLICABLE FOR FISCAL YEAR
PERIOD								
1/1/09	12/31/09	STATE OF KENTUCKY			105,221,858.00	.3779		397,710.62
1/1/09	12/31/09	TRENTON			136,701.00	.4820		658.89
1/1/09	12/31/09	ELKTON			1,436,692.00	.4171		5,992.23
1/1/09	12/31/09	CADIZ			3,162,759.00	.2888		9,136.16
1/1/09	12/31/09	RUSSELLVILLE			1,044,503.00	.3061		3,196.82
1/1/09	12/31/09	LEWISBURG			260,121.00	.3700		943.20
1/1/09	12/31/09	PEMBROKE			198,038.00	.1420		281.21
1/1/09	12/31/09	GUTHRIE			396,076.00	.4500		1,782.34
1/1/09	12/31/09	HOPKINSVILLE			8,170,151.00	.2427		19,826.30
1/1/09	12/31/09	ADAIRVILLE			184,159.00	.3347		604.05
1/1/09	12/31/09	OAK GROVE			1,122,712.00	.1860		2,088.24
1/1/09	12/31/09	TRIGG COUNTY			15,451,913.00	.7379		114,013.79
1/1/09	12/31/09	LOGAN COUNTY			15,686,680.00	.7597		119,170.92
1/1/09	12/31/09	CALDWELL COUNTY			2,624,319.00	.6408		16,816.64
1/1/09	12/31/09	SIMPSON COUNTY			36,563.00	.6892		252.00
1/1/09	12/31/09	BUTLER COUNTY			1,290,653.00	.8029		10,362.65
1/1/09	12/31/09	MUHLENBERG COUNTY			5,772,159.00	.7559		43,630.45
1/1/09	12/31/09	TODD COUNTY			12,963,544.00	.6069		78,670.50
1/1/09	12/31/09	CHRISTIAN COUNTY			31,021,554.00	.6652		206,358.00
1/1/09	12/31/09	LYON COUNTY			2,482,333.00	1.1378		28,243.98
1/1/10	12/31/10	CHRISTIAN COUNTY			478,825.00	.7120		3,409.24
1/1/10	12/31/10	LOGAN COUNTY			203,280.00	.7037		1,430.46
1/1/10	12/31/10	TODD COUNTY			348,639.00	.7134		2,487.25
1/1/10	12/31/10	TRIGG COUNTY			286,250.00	.6840		1,957.97
1/1/10	12/31/10	STATE OF KENTUCKY			1,316,994.00	.4500		5,926.62
1/1/10	12/31/10	HOPKINSVILLE			478,825.00	.2510		1,201.82
1/1/10	12/31/10	RUSSELLVILLE			203,280.00	.2200		447.23
1/1/10	12/31/10	ELKTON			348,639.00	.3030		1,056.36
1/1/10	12/31/10	CADIZ			286,250.00	.2620		749.99
		TOTAL PAID						1,078,405.93

Where more than one tax period is applicable to the current fiscal year, show beginning and ending dates of each tax period. Compute tax or tax equivalent for each tax period and show amount prorated to this fiscal year. For tax equivalents show all the components of the tax base and applicable tax equivalent by taxing districts. When tax equivalent payments are determined other than by applying applicable tax rates to net plant, describe basis, explain any change from previous period, and include data showing breakdown of net plant by taxing districts and applicable tax rates. Use extra sheets if needed.

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

PREPAID TAXES									
Do not report any taxes listed in schedule of Account 236 below as prepaid - if prepaid show debit balance in Account 236.									
TAXING JURISDICTION	% OF GROSS REVENUE	BALANCE BEGINNING OF YEAR	PAYMENTS	PERIOD COVERED	ACCT. NO.	WRITEOFF		BALANCE END OF YEAR	
						AMOUNT			
TRIGG		866.48	1,957.97	01/01/2010	408.1	1,845.46		978.99	
LOGAN		880.60	1,430.46	01/01/2010	408.1	1,595.82		715.24	
TODD		1,000.13	2,487.25	01/01/2010	408.1	2,243.76		1,243.62	
CHRISTIAN		1,666.68	3,409.24	01/01/2010	408.1	3,371.30		1,704.62	
ELKTON		424.78	1,056.36	01/01/2010	408.1	952.96		528.18	
CADIZ		331.90	749.99	01/01/2010	408.1	706.90		374.99	
RUSSELLVILLE		275.32	447.23	01/01/2010	408.1	498.94		223.61	
HOPKINSVILLE		585.90	1,201.82	01/01/2010	408.1	1,186.81		600.91	
KY		2,814.45	5,926.62	01/01/2010	408.1	5,777.76		2,963.31	
Total		8,846.24	18,666.94			18,179.71		9,333.47	
						(Add below)		(Page 17)	

ACCRUED TAXES (Account 236)									
ACCT. NO.	KIND OF TAX	BALANCE OF YEAR	PAYMENTS	TAX EXPENSE (ACCOUNT 408)	TRANSFERRED	BALANCE END OF YEAR			
							408.1	Property	518,398.72
408.2	U.S. Social Security - unemployment	211.91	7,006.47		7,063.35	268.79			
408.3	U.S. Social Security - FICA								
408.4	State Social Security - unemployment		10,089.11		10,089.11				
408.5	Gross receipts - state								
408.6	Income - state								
408.7	Other: (list below)	15,223.16	248,863.66		233,640.50				
408.7	Oak Grove Franchise Tax			(18,179.71)	18,179.71				
408.7	Reallocation of Prepaid Vehicle Taxes	254,682.75	2,905,924.92	2,929,457.31		278,215.14			
408.7	School Tax								
	Total	788,516.54	4,231,623.15	2,911,277.60	1,340,182.44	808,353.43			
(885)	Tax expense from the writeoff of prepaid privilege taxes (as above)			18,179.71					
(890)	Total tax expense for the year (page 3, item 79)			2,929,457.31					

Social Security and Federal and State unemployment taxes paid should be reported under payments, and the portion not charged to tax expense should be reported as "Transferred".

GENERAL INFORMATION

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)
 Power Board

2. In the case of a Power Board (or Utilities Board), list any other departments of the city over which it exercises control.

3. (a) Give the statutes under which the electric system was created.
 KENTUCKY REVISED STATUTES, CHAPTER 279

- (b) Give the statutes under which the electric system is currently operating if different from the above.

4. (a) Are customers' accounts billed by an outside organization? N
 If so, give name. If not, give the type in-house hardware. HP 9000

- (b) At June 30:
 - 1) What percentage is added to customer bills for late payments? 5.00 %
 - 2) How many days are allowed between date of bill and last day before gross billing applies? 15 days
 - 3) Is an "Even Monthly Payment" (budget billing) plan available for electric consumers? Y Yes No No
 - 4) Amount of security deposit required for residential service:

Owner with Electric Heat	\$125.00
Owner without Electric Heat	\$125.00
Tenant with Electric Heat	\$200.00
Tenant without Electric Heat	\$200.00
Other (describe)	
 - 5) Are there any customer deposits that qualify (deposits exceeding 1 month's average bill and held longer than 6 months) for the payment of interest under the service practice standard entitled Deposit? If yes, what rate of interest is paid?

Class	Yes/No	Interest Rate
Residential	Y	6.00 %
C & I Part A	Y	6.00 %
C & I Part B	Y	6.00 %
 - 6) Is interest on deposits:

Refunded by check annually?	<u> Y </u> Yes	<u> N </u> No
Credited on customer's power bill annually?	<u> Y </u> Yes	<u> No </u> No
Credited to a deposit account annually?	<u> Y </u> Yes	<u> N </u> No
Handled differently (Explain)		
 - 7) Are prior written notice and due process afforded to customers before termination for nonpayment?

Prior written notice?	<u> Y </u> Yes	<u> No </u> No
Due process?	<u> Y </u> Yes	<u> No </u> No
 - 8) Is information about policies and rates available upon request and application for service?

Upon request?	<u> Y </u> Yes	<u> No </u> No
Upon application for service?	<u> Y </u> Yes	<u> No </u> No
 - 9) Are the media used to inform customers about policies and rates?

Policies?	<u> Y </u> Yes	<u> No </u> No
If yes, how many times during the past 12 months?	<u> 4 </u> Times	
Rates?	<u> Y </u> Yes	<u> No </u> No
If yes, how many times during the past 12 months?	<u> 4 </u> Times	
 - 10) Is the most recent 12 months' prior usage available to customers upon request?

- 11) The cost of a membership certificate is \$15.00

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

GENERAL INFORMATION (CONTINUED)

5. Give the name of the audit firm conducting this year's audit:
 Kem, Duguid & Associates

6. If water, gas, or other services are operated in connection with electric services, furnish the following information in connection with joint operations.

(a) Indicate the joint operations with the Electric Utility:

(b) Indicate the % of non-electric ownership of any jointly owned buildings:

(c) Percentage of building space rented to others _____ %

(d) Percentage of building space rented from others _____ %

(e) 1) Date of last joint expense study: _____

2) Joint expense study was prepared by: _____ TVA _____ Distributor _____ Other

3) Indicate the amount of the unresolved annual inequity as reflected by the TVA study:

4) Give the current status of the latest joint expense study:

GOVERNING BOARD

AMOUNT PAID*

DIRECTORS OR MEMBERS OF GOVERNING BOARD NAME AND PRINCIPAL OCCUPATION		TERM EXPIRES	AMOUNT PAID*	
			FEES	TRAVEL
BATES PAYNE, JR-BOARD MEMBER	FARMER	07/31/2010	8,525.00	8,185.46
DR GEORGE BROWN-SEC/TREAS	VETERNARIAN	07/31/2012	7,150.00	6,114.44
DUANE MOORE-VICE CHAIRMAN	FARMER	07/31/2011	6,875.00	5,074.61
JAMES W. LEAR-CHAIRMAN	FARMER	07/31/2012	8,800.00	10,726.88
JOE ROGERS-ASST. SEC/TREAS	FARMER	07/31/2010	8,250.00	6,673.55
ROBERT K. BROADBENT-BOARD	FARMER	07/31/2011	5,775.00	4,463.77
JAMES R. RILEY-BOARD MEMBER	INSURANCE AGENT	07/31/2010	9,350.00	7,972.52
BRYSON PRICE-BOARD MEMBER	FUNERAL HOME OWNER	07/31/2011	6,050.00	4,728.65
Total			60,775.00	53,939.88

*Show total amounts paid from electric system funds for fiscal year.
 Method of determining amounts paid to board members is as follows:
 BOARD MEMBERS RECEIVE \$275.00 EACH MEETING PLUS .50 CENTS PER MILE.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

GENERAL INFORMATION (CONTINUED)	EXPENSE
Detail of Account 930 - Miscellaneous General Expense	
TOTAL	

Pennyrile Rural Electric Cooperative Corporation
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED * ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

PAGE 2 - RETAINED EARNINGS FOR BEGINNING OF YEAR ARE NOT THE SAME AS THE END OF LAST YEAR'S RETAINED EARNINGS DUE TO FASB 158 ADJUSTMENT.

PAGE 5 - A/C 593 THE DECREASE IS DUE TO RECEIPT OF FEMA FUNDS APPLIED TO EXPENSE ACCOUNT (AS DIRECTED BY RUS) BEFORE APPLIED TO JOBS.

PAGE 5 - A/C 910 THE CREDIT IS DUE TO THE SALE OF TWO ELECTRICAL CODE BOOKS (53.00 EACH).

PAGE 7 - CREDITS INCLUDES 5MRC SINCE IT STARTED IN FISCAL YEAR 2010.

PAGE 7 - ITEM 335 - BILLING IN ARREARS CUSTOMERS WERE BROUGHT TO CURRENT BILLING.

PAGE 7 - ITEMS 125 & 346 - WHOLESALE METER READING WAS CHANGED FROM THE 12TH OF THE MONTH TO THE 30TH OF THE MONTH IN APRIL 2010. ADDITIONAL KILOWATT HOURS PURCHASED IS REFLECTED IN ADDITIONAL 18 DAYS ON POWER BILL EQUIVALENT TO 47,626,313 KWH.

PAGE 8 - CUSTOMER HAD BEEN BILLED FOR THE WRONG TYPE OF LIGHT SO A CREDIT WAS ISSUED TO THE CUSTOMER'S ACCOUNT.

PAGES 9 & 10

A/C 364, 365, 369 - INCREASE TO ADDITION DUE TO CLOSING ICE STORM JOBS IN DECEMBER 2009 WITH PARTIAL REIMBURSEMENT OF FEMA FUNDS RECEIVED IN JANUARY 2010.

A/C 368 - PURCHASES DOWN DUE TO JANUARY 2009 ICE STORM REQUIREMENTS IN LAST FY.

A/C 389 - REDUCTION DUE TO A MAJOR PURCHASE IN FY 2009.

A/C 390 - REDUCTION DUE TO A MAJOR PURCHASE IN FY 2009.

A/C 391 - PURCHASED 20 ADDITIONAL LAPTOP COMPUTERS; REPLACED FIVE COPIERS WITH IMPROVED OPTIONS; ADDED A MAIL EXCHANGE SERVER, AND ANOTHER UPN SERVER.

A/C 397 - PURCHASED TWO SATELLITE TELEPHONES, A OUTAGE MANAGEMENT SYSTEM, AND UPGRADED THE PORCHE SYSTEM.

A/C 107 - REDUCTION REFLECTS CLOSED ICE STORM JOBS IN DECEMBER 2009.

PAGE 11

SALVAGE FROM SALE:	A/C 362	0.00	A/C 370 -	5,585.35
	A/C 364	30,090.99	A/C 371 -	132.37
	A/C 365	72,218.36	A/C 392 -	190,634.31
	A/C 368	36,571.38	A/C 394 -	11,000.00 (CHIPPER)
	A/C 369	18,054.59		
				\$ 364,287.35

A/C 370 - ACCRUAL FOR TWAC METERS IS GAIN ON THE ORIGINAL COST OF RETIRED METERS IN FY'07.

A/C 394 - RETIRED AN AIR COMPRESSOR, AND REPLACED A CHIPPER FOR WHICH WE RECEIVED \$11,000 SALVAGE.

A/C 397 - RETIRED OLD MOBILE RADIOS.

(800) OTHER - REDUCTION DUE TO CLOSED ICE STORM JOBS IN DECEMBER 2009.

PAGES 23 & 26 - INTEREST ACCRUED - COBANK; A LOAN AGREEMENT WAS ENTERED INTO WITH FTC FOR UTILITY ENERGY SERVICE CONTRACT (UESC) FY 06. LONG TERM DEBT INTEREST AND PRINCIPAL IS BEING REPAYED TO COBANK THROUGH THIS LOAN. INTEREST JOURNAL ENTRIES ARE MADE EACH MONTH TO ACCURE INTEREST (PAGE 2, ITEM 51) AND THEN IS BILLED TO FTC.

PAGE 26 - A/C 232 ACCOUNTS PAYABLE WILL INCLUDE TWO MONTHS OF POWER INVOICE BILLING DUE TO METER READING CHANGE DATE. SEE PAGE 7 FOOT NOTE ABOVE.

PAGE 26 - ITEM 90.1 - DIFFERENCE REFLECTS CREDIT FROM UESC CONTRACT APPLIED TO LTD INTEREST.

PAGE 26 - A/C 253 - POLE RENTAL: \$47,850; MGMNT FEE FOR FTC/UESC LOAN: \$1,125,588.34; TVA ECON/REEP ACCT: \$875.00; EMPLOYEE ACCT: \$786.76.

TVA LINE LOSS TRUE-UP JUNE 2010: PAYABLE OF \$69,410.69.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

KEY PERSONNEL		
KEY PERSONNEL	TITLE OR OCCUPATIONS	PERCENTAGE OF WAGES CHARGED TO THE ELECTRIC DEPARTMENT
ESTON GLOVER	PRESIDENT/CEO	100.00
SANDRA GROGAN	VICE PRESIDENT & CFO	100.00
JOHN WHEELER	VICE PRESIDENT ENGINEERING	100.00
MICHELE SMALL	VICE PRESIDENT HUMAN RESOURCES	100.00
FREDDIE POWELL	VICE PRESIDENT OPERATIONS	100.00
JANICE SHOLAR	PLANT ACCOUNTANT	100.00
DEBORAH PRITCHETT	MANAGER SUPERVISOR CUST SERV/BILLING	100.00
MARK LINDSEY	MANAGER KEY ACCTS	100.00
VICKY PALMER	SUPERVISOR MANAGER OF CUSTOMER SERVICE	100.00
BRENT GILKEY	MANAGER OF MEMBER SERVICES	100.00
STEVE WALTERS	DISTRICT MANAGER	100.00
RICKY TURNER	DISTRICT MANAGER	100.00
MARK WILKINS	DISTRICT MANAGER	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 116		

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

EFFECTIVE DATE		RATE SCHEDULES	
RESIDENTIAL RATE - SCHEDULE RS			
6/1/10	CUSTOMER CHARGE..	\$ 16.22	per month less \$1.71 Hydro allocation credit.
6/1/10	ENERGY CHARGE.....	All	kWh per month at 0.08739 per kWh
			Additional kWh at _____ per month
GENERAL POWER RATE - SCHEDULE GSA			
PART 1.			
6/1/10	CUSTOMER CHARGE..	\$ 14.51	per delivery point per month
6/1/10	ENERGY CHARGE.....	All	kWh per month at 0.10026 per kWh
			Additional kWh at _____ per month
PART 2.			
6/1/10	CUSTOMER CHARGE..	\$ 60.96	per delivery point per month
6/1/10	DEMAND CHARGE.....	First 50 kW of billing demand per month, no charge	
		Excess over 50 kW of billing demand per month, at \$ 15.40 per kW	
6/1/10	ENERGY CHARGE.....	All 15,000 kWh per month at	0.09962 per kWh
		Additional kWh per month at	0.05064 per kWh
PART 3.			
6/1/10	CUSTOMER CHARGE..	\$ 146.31	per delivery point per month
6/1/10	DEMAND CHARGE.....	First 1,000 kW of billing demand per month, at \$ 14.50 per kW	
		Excess over 1,000 kW of billing demand per month, at 16.91 per kW, plus an additional \$ 16.91 per kW per month for each, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand	
6/1/10	ENERGY CHARGE.....	All	kWh per month at 0.05045 per kWh
		Additional kWh per month at	_____ per kWh
GENERAL POWER RATE - SCHEDULE GSB			
6/1/10	CUSTOMER CHARGE..	\$ 1,500.00	per delivery point per month
6/1/10	DEMAND CHARGE.....	\$ 15.40	per kW of billing demand per month, plus an additional
		\$ 15.40	per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds its contract demand
6/1/10	ENERGY CHARGE.....	0.04132	per kWh for up to 620 hours use of metered demand per month
		0.03372	per kWh for all additional kWh per month
GENERAL POWER RATE - SCHEDULE GSC			
6/1/10	CUSTOMER CHARGE..	\$ 1,500.00	per delivery point per month
6/1/10	DEMAND CHARGE.....	\$ 14.89	per kW of billing demand per month, plus an additional
		\$ 14.89	per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds its contract demand
6/1/10	ENERGY CHARGE.....	0.04132	per kWh for up to 620 hours use of metered demand per month
		0.03372	per kWh for all additional kWh per month
GENERAL POWER RATE - SCHEDULE GSD			
6/1/10	CUSTOMER CHARGE..	\$ 1,500.00	per delivery point per month
6/1/10	DEMAND CHARGE.....	\$ 18.24	per kW of billing demand per month, plus an additional
		\$ 18.24	per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds its contract demand
6/1/10	ENERGY CHARGE.....	0.03314	per kWh per month
OUTDOOR LIGHTING RATE - SCHEDULE LS			
6/1/10	CUSTOMER CHARGE..	\$ 2.50	
6/1/10	ENERGY CHARGE.....	0.05904	per kWh
6/1/10	FACILITY CHARGE.....	LS (11.00)%	$\frac{B}{A \text{ or } B}$

ANNUAL REPORT

Of

**PENNYRILE RURAL ELECTRIC
COOPERATIVE CORP.**

For The Year Ended June 30, 2011

To

TENNESSEE VALLEY AUTHORITY

Pennyrite Rural Electric Cooperative Corporation

Name of Organization

2000 Harrison Street Hopkinsville, KY 42241-0551

Address

Tennessee Valley Authority
1101 Market Street
Chattanooga, Tennessee 37402-2801

Gentlemen:

We are transmitting herewith our annual report for the year ended June 30, 2011. The report is in agreement with the books of account, and to the best of our knowledge and belief the statements therein contained are true and correctly reflect the financial condition at June 30, 2011, and the results of our electric operations for the year ended on that date.

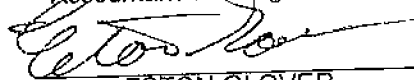
Our books of account have been kept in accordance with the provisions of the power contract between this organization and the Tennessee Valley Authority, and are consistent with the requirements of the Federal Energy Regulatory Commission's system of accounts.

(Signed)



SANDY GROGAN

Accountant in Charge of books



ESTON GLOVER

Manager

08/22/11

Date transmitted

TVA Act of 1933

In fulfilling the responsibilities of the TVA Act of 1933 [16 U.S.C. #831i and 831n-4(f)], TVA requires each distributor to provide certain financial and accounting information to TVA to ensure that electric power produced by TVA is being sold at rates which are as low as feasible. This form (TVA 3957) is for that purpose.

Public reporting burden for this collection of information is estimated to vary from ten to forty hours per response, with an average of nineteen hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Agency Clearance Officer, Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Distributor Number 337

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
UTILITY PLANT				
Electric Plant	10	1	172,332,324.78	163,507,941.73
Less Depreciation	10	2	49,649,886.03	47,855,638.19
Total	10	3	122,682,438.75	115,652,303.54
Unamortized acq. adj.	13	4		
Other utility plant - net.	----	5		
Total Plant - net.	----	6	122,682,438.75	115,652,303.54
OTHER PROPERTY AND INVESTMENTS				
Nonutility property - net.	15	7		
Other investments	14	8	1,710,259.86	1,576,968.40
Sinking funds	15	9		
Depreciation funds	15	10		
Other special funds	15	12		
Total	----	13	1,710,259.86	1,576,968.40
CURRENT AND ACCRUED ASSETS				
General cash and temporary cash investments	14	14	20,491,075.59	20,374,352.65
Accounts receivable	16	15	10,955,344.79	10,594,078.30
Materials and supplies	17	16	799,016.04	690,838.32
Prepayments	17	17	279,944.49	191,227.67
Other current assets	17	18	2,047,565.08	1,946,709.68
Total	----	19	34,572,945.99	33,797,206.62
DEFERRED DEBITS				
Debt expense	17	20	1,510,409.18	
Preliminary survey	----	21	30,088.78	15,831.37
Clearing accounts	----	22		
Energy Service Loans Receivables	----	24	2,355,937.73	2,144,707.67
Deferred costs on TVA Leases	17	25		
Other deferred debits	17	26	21,141,357.38	22,405,041.93
Total	----	27	25,037,793.07	24,565,580.97
TOTAL ASSETS AND OTHER DEBITS	----	28	184,003,437.67	175,592,059.53
LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER				

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BALANCE SHEET				
LIABILITIES AND OTHER CREDITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
CAPITAL				
Membership certificates.....	----	30	828,454.39	802,588.73
EARNINGS REINVESTED IN SYSTEM ASSETS				
Beginning of year.....	----	33	68,549,743.31	63,843,117.73
Current year.....	3	34	4,352,718.09	4,668,825.58
Total.....	----	35	72,902,461.40	68,511,943.31
LONG-TERM DEBT				
RUS.....	23	36	8,192,068.48	7,586,290.12
CFC.....	23	37		
CoBank.....	23	38	9,752,170.77	17,190,595.73
Bonds and other long-term debt.....	25	39.1	61,805,284.68	51,954,325.33
TVA.....	25	39.3		
Debt premium and discount.....	----	40		
Total.....	----	41	79,749,523.93	76,731,211.18
OTHER NON-CURRENT LIABILITIES				
Postretirement Benefits.....	25	39.2	1,609,900.00	1,495,800.00
Energy Service Loans - Advances.....	----	42	2,374,475.00	2,162,239.25
Energy Service Loans - Other.....	----	43	1,668,348.13	1,986,160.13
Total.....	----	44	5,652,723.13	5,644,199.38
CURRENT AND ACCRUED LIABILITIES				
TVA notes payable.....	26	45.1		
Other notes payable.....	26	45.2		
Accounts payable.....	26	46	15,902,403.14	14,624,274.75
Customer deposits.....	26	47	5,422,365.07	5,153,552.82
Taxes and equivalents accrued.....	29	48	837,761.48	808,353.43
Interest accrued - RUS.....	23	49		
Interest accrued - CFC.....	23	50		
Interest accrued - CoBank.....	23	51	41,852.40	85,676.71
Interest accrued -TVA.....	26	52.1		
Interest accrued - other.....	26	52.2		
Other current liabilities.....	26	53	1,631,667.70	1,846,559.32
Total.....	----	54	23,836,049.79	22,518,417.03
DEFERRED CREDITS				
Advances for construction - refundable.....	18	55	2,717.25	208,599.80
Other deferred credits.....	26	56	1,031,507.78	1,175,100.10
Total.....	----	57	1,034,225.03	1,383,699.90
TOTAL LIABILITIES AND OTHER CREDITS.....	----	58	184,003,437.67	175,592,059.53

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

REVENUE AND EXPENSE STATEMENT	SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
OPERATING REVENUE				
Electric sales revenue (page 7, item 332)	----	59	119,310,288.40	106,973,887.14
Revenue from late payments	----	60	726,428.68	626,519.41
Misc. service revenue	----	61	153,350.00	149,975.00
Rent from electric property	----	62	1,308,232.85	1,206,080.62
Other electric revenue	----	63	38,921.41	42,072.86
Total operating revenue	----	64	121,537,221.34	108,998,535.03
PURCHASED POWER				
Total power cost (page 7, item 342)	7	65	90,920,083.29	79,931,432.93
OPERATION EXPENSE				
Transmission expense	5	66	7,447.47	7,446.35
Distribution expense	5	67	4,509,758.42	4,322,934.60
Customer accounts expense	5	68	2,320,209.67	2,153,410.05
Customer service and informational expense	5	69	125,213.71	128,164.08
Sales expense	5	70	339,570.70	328,985.95
Administrative and general expense	6	71	2,830,325.11	2,724,098.67
Operation expense	6	72	10,132,525.08	9,665,039.70
MAINTENANCE EXPENSE				
Transmission expense	6	73		
Distribution expense	6	74	4,504,595.71	3,692,543.02
Administrative and general expense	6	75	261,649.38	214,676.16
Maintenance expense	6	76	4,766,245.09	3,907,219.18
OTHER OPERATING EXPENSE				
Depreciation expense	12	77	5,733,744.14	5,559,255.98
Amortization of acquisition adjustment	13	78		
Taxes and tax equivalents	29	79	3,239,988.54	2,929,457.31
Other operating expense	----	80	8,973,732.68	8,488,713.29
TOTAL OPERATING EXPENSE AND PURCHASED POWER	----	81	114,792,588.14	101,992,405.10
INCOME				
Operating income (item 64, less item 81)	----	82	6,744,635.20	7,006,129.93
Other income	16	83	937,435.00	1,194,691.74
Total income	----	84	7,682,070.20	8,200,821.67
Miscellaneous income deductions	16	85	93,402.07	88,334.78
Net income before debt expense	----	86	7,588,668.13	8,112,486.89
DEBT EXPENSE				
Interest on long-term debt - RUS	23	87	547,122.55	660,748.00
Interest on long-term debt - CFC	23	88		
Interest on long-term debt - CoBank	23	89	419,610.33	806,491.22
Interest on long-term debt - other	26	90.1	1,920,761.43	1,684,385.47
Interest - TVA	26	90.2		
Other interest expense	----	92	304,584.91	292,036.62
Amortization of debt discount and expense	----	93	43,870.82	
Amortization of premium on debt - credit	----	94		
Total debt expense	----	95	3,235,950.04	3,443,661.31
NET INCOME				
Net income before extraordinary items (item 86, less item 95)	----	96	4,352,718.09	4,668,825.58
Extraordinary items	33	97		
Net income	2	98	4,352,718.09	4,668,825.58

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

STATEMENT OF CASH FLOWS

Increase (Decrease) In Cash and Cash Equivalents

	THIS YEAR	LAST YEAR
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Net Income.....	4,352,718.09	4,668,825.58
Adjustments to Reconcile Net income to Net Cash:		
Depreciation.....	6,170,470.34	5,962,990.42
Amortization of:		
Acquisition Adjustment.....		
Additions to TVA Leases.....	43,870.82	
Debt Premium or Discount.....		
(Gain) or Loss on Sale of Plant.....		
Changes in Current and Deferred Items:		
Accounts Receivable.....	(361,266.49)	1,800,325.36
Materials and Supplies.....	(108,177.72)	204,239.24
Prepayments and Other Current Assets.....	(189,572.22)	435,772.58
Deferred Debits.....	(304,852.86)	1,977,360.53
Accounts Payable.....	1,278,128.39	2,723,721.77
Customer Deposits.....	268,812.25	301,386.51
Taxes and Interest Accrued.....	(14,416.26)	(4,019.31)
Other Current Liabilities.....	(214,891.62)	219,070.18
Deferred Credits.....	(349,474.87)	(183,794.90)
Other.....	37,800.00	38,600.00
Net Cash Provided by (Used in) Operating Activities.....	10,609,147.85	18,144,477.96
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Additions to Plant.....	(12,600,465.31)	(3,337,962.87)
Removal Cost.....	(1,127,929.95)	(1,033,734.71)
Salvage.....	527,789.71	470,186.55
Net Change in Other Property and Investment.....	(133,291.46)	(198,404.64)
Energy Service Loans Receivable.....	(211,230.06)	(50,744.93)
Plant Sold (Purchased) - Noninstallment Method.....		
Deferred Costs on TVA Leases (excluding amortization).....		
Other.....		
Net Cash Provided by (Used in) Investing Activities.....	(13,545,127.07)	(4,150,660.60)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Additional Long-Term Borrowings.....	12,285,755.63	
Payment of Principal on Long-Term Debt.....	(9,267,442.88)	(4,322,301.06)
Notes Payable.....		26,035.71
Memberships.....	25,865.66	(68,991.40)
Energy Service Loans Advances.....	(105,576.25)	
Receipt for Plant Sold - Installment Method.....		
Payment for Plant Purchased - Installment Method.....	114,100.00	117,300.00
Other.....	3,052,702.16	(4,247,956.75)
Net Cash Provided by (Used in) Financing Activities.....	116,722.94	9,745,860.61
NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS.....	20,374,352.65	10,628,492.04
CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR.....	20,491,075.59	20,374,352.65
CASH AND TEMPORARY INVESTMENTS END OF YEAR.....		

NOTE: Cash and Temporary Cash Investments include cash on hand and in demand deposits, and those investments which are generally a part of the power distributor's short-term cash management activities.

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
	OPERATING EXPENSE				
	1. TRANSMISSION				
560	Supervision and engineering.....				
561	Load dispatching.....	3,017.25	2,988.73		
562	Station expense.....	4,430.22	4,457.62		
563	Overhead line expense.....				
564	Underground line expense.....				
566	Miscellaneous.....				
567	Rents.....	7,447.47	7,446.35		
(600)	Total transmission operating expense (page 3, item 66)			44,498.74	54,121.51
	2. DISTRIBUTION				
580	Supervision and engineering.....	79,473.57	96,050.97		
581	Load dispatching.....	224,665.04	212,260.49	44,644.12	37,112.49
582	Station expense.....	2,501,715.39	2,429,698.28	565,691.64	576,296.63
583	Overhead line expense.....	170,036.86	138,808.26	23,253.93	11,923.28
584	Underground line expense.....	57,337.53	59,532.77	20,495.46	22,781.09
585	Street lighting and signal system expense.....	474,621.75	468,126.20	112,850.17	122,390.08
586	Meter expense.....	257,532.42	234,465.78	112,447.25	110,728.19
587	Customer installation expense.....	629,577.55	560,798.33	267,905.44	242,465.04
588	Miscellaneous.....	114,798.31	123,193.52		
589	Rents.....	4,509,758.42	4,322,934.60	1,191,786.75	1,177,818.31
(605)	Total distribution operating expense (page 3, item 67)			4,322,934.60	4,322,934.60
	3. CUSTOMER ACCOUNTS EXPENSE				
901	Supervision.....	226,280.35	213,084.93	134,001.58	131,346.36
902	Meter reading expense.....	211,917.25	198,712.66	70,115.26	72,835.47
903	Customer records and collection expense.....	1,786,801.64	1,669,182.92	669,452.82	658,358.80
904	Uncollectible accounts.....	83,220.93	61,261.67		
905	Miscellaneous.....	11,989.50	11,167.87		
(610)	Total customer accounts expense (page 3, item 68)	2,320,209.67	2,153,410.05	873,569.66	862,540.63
	4. CUSTOMER SERVICES & INFORMATIONAL EXPENSE				
907	Supervision.....	15,449.47	15,905.82	8,993.66	9,634.58
908	Customer assistance expense.....	37,323.28	39,209.25	7,594.11	8,099.35
909	Informational and instructional advertising expense.....	70,585.96	73,155.01	6,901.78	6,330.62
910	Miscellaneous customer service and informational expense.....	1,855.00	(106.00)		
(615)	Total customer services and informational expense (page 3, item 69)	125,213.71	128,164.08	23,489.55	24,064.55
	5. SALES EXPENSE				
911	Supervision.....	274,266.18	260,345.86	124,393.87	124,663.66
912	Demonstrating and selling expense.....	25,427.52	26,038.09	6,412.81	6,358.25
913	Advertising expense.....	39,877.00	42,602.00		
916	Miscellaneous.....	339,570.70	328,985.95	130,806.68	131,041.91
(620)	Total sales expense (page 3, item 70)			130,806.68	131,041.91

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
6. ADMINISTRATIVE & GENERAL					
920	Administrative and general salaries.....	1,215,223.49	1,128,980.25	707,529.89	693,172.21
921	Office supplies and expense.....	201,562.62	214,974.11		
922	Administrative expense transferred - credit.....				
923	Outside services employed.....	63,869.07	105,656.27		
924	Property insurance.....	354,771.34	295,109.71	83,253.98	60,522.31
925	Injuries and damages.....	247,434.43	238,454.56		
926	Employee pensions and benefits.....				
927	Franchise requirements*.....				
928	Regulatory commission expense*.....	(34,425.76)	(30,417.74)		
929	Duplicate charges - credit.....	781,889.92	771,341.51	16,619.56	16,595.99
930	Miscellaneous general expense.....				
931	Rents.....	2,830,325.11	2,724,098.67	807,403.43	770,290.51
(625)	Total administrative and general expense (page 3, item 71).....	10,132,525.08	9,665,039.70	3,027,056.07	2,965,755.91
(630)	Total operating expense (Page 3 item 72).....				
MAINTENANCE EXPENSE					
1. TRANSMISSION					
568	Supervision and engineering.....				
569	Maintenance of structures.....				
570	Maintenance of station equipment.....				
571	Maintenance of overhead lines.....				
572	Maintenance of underground lines.....				
573	Miscellaneous.....				
(635)	Total transmission maintenance expense (page 3, item 73).....				
2. DISTRIBUTION					
590	Supervision and engineering.....	58,938.77	76,742.32	34,262.62	45,502.34
591	Maintenance of structures.....	166,279.66	90,455.54	36,722.08	33,478.41
592	Maintenance of station equipment.....	4,093,782.56	3,335,431.56	1,021,037.54	792,126.97
593	Maintenance of overhead lines.....	23,792.96	16,101.98	3,918.16	3,512.31
594	Maintenance of underground lines.....	108,386.31	120,171.07	20,253.66	13,677.35
595	Maintenance of line transformers.....	7,767.64	7,191.33	2,546.97	3,092.30
596	Street lighting and signal systems.....	27,073.26	35,864.04	13,718.87	15,737.01
597	Maintenance of meters.....	18,514.55	10,585.18	9,494.60	5,671.73
598	Maintenance of miscellaneous distribution plant.....	4,504,595.71	3,692,543.02	1,141,954.50	912,798.42
(640)	Total distribution maintenance expense (page 3, item 74).....				
3. ADMINISTRATIVE & GENERAL					
935	Maintenance of general plant (page 3, items 75).....	261,649.38	214,676.16	14,955.73	13,694.94
(645)	Total maintenance expense (page 3, item 76).....	4,766,245.09	3,907,219.18	1,156,910.23	926,493.36
(650)	Total operating and maintenance expense.....	14,898,770.17	13,572,258.88	4,183,966.30	3,892,249.27
(655)	Total direct and indirect payroll charged to construction and retirements.....			2,017,008.00	1,936,344.36
(660)	Payroll charged to other accounts.....			710,596.69	641,968.98
(662)	Fiscal year net change in accrued leave account - (increase) decrease.....			(13,068.49)	(2,076.43)
(665)	Total payroll distribution for year.....			6,898,502.50	6,468,486.18

*FURNISH DETAILS OF THESE ACCOUNTS ON PAGES 32 AND 33.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

STATISTICAL DATA

CLASS OF SERVICE	ITEM NO	REVENUE		ITEM NO	KILOWATT-HOURS SOLD	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Residential	100	64,751,594.03	57,481,979.68	107	602,176,756	593,966,673
Gen. Power - 50 kW & under	101	10,065,153.60	9,486,364.65	108	77,425,433	80,572,760
Gen. Power - Over 50 kW	102	42,589,154.15	38,771,817.94	109	483,458,068	466,602,478
Street and athletic	103	476,068.62	429,910.21	110	3,932,806	3,948,623
Outdoor lighting	104	1,333,098.02	1,207,956.83	111	12,333,466	12,359,015
Subtotal	330	119,215,068.42	107,378,029.31			
Unbilled revenue*	331	95,219.98	(404,142.17)			
Total (page 3, item 59)	332	119,310,288.40	106,973,887.14	335	1,179,326,529	1,157,449,549
Kilowatt-hours for own use				113	302,506	294,910
Total kilowatt-hours sold and used				114	1,179,629,035	1,157,744,459
Kilowatt-hours in unbilled revenue (items 331) above*				336	20,940,094	43,780,658

STATE	SALES TAX
KY	2,312,360.57
Total	2,312,360.57

TO ABOVE CLASSES OF REVENUE	CREDITS	GREEN POWER REVENUE
Residential		2,630.67
Gen. Power - 50 kW & under		
Gen. Power - Over 50kW	1,086,174.35	

PURCHASED POWER

	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
TVA						
Purchased Power	115	89,199,701.58	82,365,939.57	119	1,234,282,980	1,273,431,097
Facilities Rental	116	1,720,381.71	1,704,299.69			
Other Charges/Credits	117					
Total from TVA	118	90,920,083.29	84,070,239.26	122	1,234,282,980	1,273,431,097
Other Purchased Power**	218			222		
Subtotal	340	90,920,083.29	84,070,239.26			
Unbilled Purchases*	341		(4,138,806.33)			
Total (page 3, item 65)	342	90,920,083.29	79,931,432.93	345	1,234,282,980	1,273,431,097
Less kilowatt hours sold and used (item 114)				123	1,179,629,035	1,157,744,459
Line losses and kilowatt-hours unaccounted for				124	54,653,945	115,686,638
Percent of losses to purchases (2 decimal places)				125	4.43	9.09
Kilowatt-hours in unbilled purchases (item 341) above*				346		(51,697,804)

**Purchased other power under contract number _____ from _____

NUMBER OF CUSTOMERS

MISCELLANEOUS DATA

CLASS OF SERVICE		MONTH OF JUNE				THIS YEAR	LAST YEAR
		THIS YEAR	LAST YEAR				
Residential	(675)	37,660	37,693	Pole Line Miles: (2 decimal places)	(715)	5,089.00	5,085.00
Gen. Power - 50 kW & under	(680)	8,587	8,586	Individual Outdoor Lts.	(720)	14,272	14,287
Gen. Power - Over 50 kW	(685)	583	580	No. in plant	(725)	5,395,919.55	5,242,572.26
Street and athletic	(690)	148	148	Total investment	(730)	246,775.63	217,304.25
Outdoor Lighting - Excl. Code 77	(693)	78	83	O&M expense	(735)	2,014,109.86	1,853,619.91
Total	(695)	47,056	47,090	St. Ltg-Invest. Base.	(740)	65,105.17	66,724.10
Outdoor Lighting - Code 77	(697)	11,148	11,184	O&M expense	(745)	1,774.37	1,441.34
				Lamps & Glassware			

*Item nos. 331, 336, 341, and 346 are to be filled in only if distributor chooses the option to estimate unbilled electric sales.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

MODIFIED STREET LIGHTING COMPUTATION				
Give computation of modified street lighting rate relative to lamps and glassware by customers, if applicable:				
TOWN	COST OF LAMPS AND GLASSWARE	KWH FROM STAT. REPT.	ALLOWANCE KWH X .003	EXCESS TO BE BILLED
ADAIRVILLE	20.85	83,640	250.92	
CADIZ	235.48	513,822	1,541.47	
APACHE HEIGHTS HOMEOWNERS	8.17	10,032	30.10	
ELKTON	312.16	338,115	1,014.35	
GUTHRIE	53.81	167,521	502.56	
HOPKINSVILLE	417.37	593,132	1,779.40	
LAFAYETTE	8.48	16,170	48.51	
LEWISBURG	38.77	116,727	350.18	
OLMSTEAD	8.13	4,224	12.67	
PEMBROKE	16.96	88,175	264.52	
TRENTON	19.56	70,895	212.69	
OAK GROVE	258.58	265,476	796.43	
RUSSELLVILLE	52.13	101,714	305.14	
KY DEPT OF HIGHWAY		420,521	1,261.56	
FT. CAMPBELL	299.41	155,908	467.72	
CHRISTIAN COUNTY		484	1.45	
LATHAM RICHARD K	24.51	11,616	34.85	
HARRIS C W JR.		1,584	4.75	
ROGERS GROUP				
DR. HART. - CADIZ SUBDIVISION				
TOTAL:	1,774.37	2,959,756	8,879.27	

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ELECTRIC PLANT

ACCT. NO.	BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
				DEBIT	CREDIT	
INTANGIBLE						
301						
302						
303						
(750)						
PRODUCTION						
755						
TRANSMISSION						
350	71,983.04					71,983.04
351	55,160.21					55,160.21
352	301,491.18					301,491.18
353						
354	359,408.03					359,408.03
355	269,961.49					269,961.49
356						
357						
358						
359						
(760)	1,058,003.95					1,058,003.95
DISTRIBUTION						
360	1,140,869.72		116.64			1,140,753.08
361						
362	10,316,589.57	183,767.03	61,200.00			10,439,156.60
363	55,582,552.92	2,734,127.32	984,790.31			57,331,889.93
364	20,605,565.66	1,330,754.46	213,968.69			21,722,351.43
365	414.56					414.56
366	5,014,413.01	296,407.26	60,590.77			5,250,229.50
367	27,187,720.04	1,219,197.41	441,180.01			27,965,737.44
368	8,465,484.70	561,516.23	108,550.52			8,918,460.41
369	11,327,004.42	218,922.43	89,439.12			11,456,487.73
370	5,242,949.85	486,352.12	333,382.42			5,395,919.55
371						
372	1,799,168.45	233,164.09	73,363.84			1,958,968.70
373	146,682,732.90	7,264,208.35	2,366,582.32			151,580,358.93
(765)						

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ELECTRIC PLANT

ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
	GENERAL						
389	Land and land rights.....	653,541.83	192,784.18				846,326.01
390	Structures and improvements.....	5,229,191.58	2,758,358.36	567,668.07			7,419,881.97
391	Office furniture and equipment.....	2,072,385.08	143,779.41	8,719.85			2,207,444.64
392	Transportation equipment.....	5,222,311.91	1,199,529.33	799,329.38			5,622,511.86
393	Stores equipment.....	303,375.16	2,343.03	12,295.02			293,423.17
394	Tools, shop, and garage equip.....	559,599.12	69,955.67	1,066.22			628,488.57
395	Laboratory equipment.....	168,567.65	10,305.21				178,872.86
396	Power operated equipment.....						
397	Communication equipment.....	1,250,505.23	912,524.20	20,421.40			2,142,608.03
398	Miscellaneous equipment.....	9,442.51	3,066.51				12,509.02
399	Other tangible property.....						
(770)	Total general.....	15,468,920.17	5,292,645.90	1,409,499.94			19,352,066.13
101	Total plant in service.....	163,209,657.02	12,556,854.25	3,776,082.26			171,990,429.01
102	Electric plant purchased or sold.....						
104	Electric plant leased to others.....						
105	Electric plant for future use.....	298,284.71	43,611.06				341,895.77
107	Construction work in progress.....	298,284.71	43,611.06				341,895.77
(775)	Total other electric plant.....						
(780)	Total electric plant (page 1, item 1).....	163,507,941.73	12,600,465.31	3,776,082.26			172,332,324.78
			(item 140)				
	RESERVES						
108	Accumulated provision for depreciation of electric plant in service.....					49,649,886.03	
109	Accumulated provision for depreciation of electric plant leased to others.....						
110	Accumulated provision for depreciation of electric plant held for future use.....						
	Total accumulated provision for depreciation (page 1, item 2 and page 11).....					49,649,886.03	
	Total electric plant, less accumulated provision for depreciation (page 1, item 3).....						122,682,438.75

Reclassification Columns
Includes major corrections to prior years additions and retirements, transfers between accounts classified in prior years, and classification of plant purchased and/or sold.

Explanations of entries shown in the Reclassification Columns:

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ORIGINAL COST	REMOVAL COST	SALVAGE	OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
							DEBIT	CREDIT		
ACCUMULATED PROVISION FOR DEPRECIATION (Page 10)										
350										
351									41,164.27	75
352	4.00	38,960.11	2,204.16						225,740.75	75
353	4.00	213,693.23	12,047.52							
354									234,562.94	65
355	4.00	220,200.98	14,361.96						152,207.52	56
356	3.00	144,108.72	8,098.80							
357										
358										
359									653,675.48	62
(785) TOTAL		616,963.04	36,712.44	116.64						
360										
361									6,200,605.02	59
362	4.00	5,847,272.51	415,516.12	61,200.00	983.61					
363										
364	3.25	12,962,426.85	1,835,851.89	984,790.31	552,042.69	128,758.55			13,390,204.29	23
365	2.50	6,004,089.77	531,238.21	213,958.69	117,610.90	143,908.68			6,347,657.07	29
366	3.00	390.00							390.00	94
367	3.00	877,539.10	154,287.21	60,590.77	27,469.59	5,574.50			949,340.45	18
368	3.00	9,812,317.73	826,272.03	441,180.01	73,726.97	50,707.82			10,174,390.60	36
369	4.50	2,455,111.60	392,109.32	108,550.52	58,635.87	39,823.84			2,719,858.37	30
370	3/6	625,770.23	641,558.83	89,439.12		160.00			1,178,049.94	10
371	8/5	1,606,154.06	426,820.89	333,382.42	177,775.93	28,433.23			1,550,249.83	29
372									1,030,813.18	53
373	8.00	988,266.75	148,818.35	73,363.84	39,356.44	6,448.36			43,541,558.75	29
(790) TOTAL		41,179,338.60	5,372,589.49	2,366,582.32	1,047,602.00	403,814.98				
389									1,267,464.28	17
390	VAR	1,805,746.40	115,444.79	567,668.07	87,497.07	1,438.23			1,220,342.71	55
391	4/10/20	1,113,734.32	115,328.24	8,719.85					2,187,800.78	39
392	VAR	2,431,170.25	436,726.20	799,329.38	2,416.29	121,550.00			86,014.48	29
393	4.00	87,521.88	10,787.62	12,295.02					277,825.65	44
394	8.00	239,976.97	38,914.90	1,066.22					145,891.81	82
395	8.00	137,055.24	8,836.57							
396									298,204.24	14
397	3.00	283,195.04	34,824.10	20,421.40	280.00	886.50			7,243.57	58
398	10.00	6,937.58	305.99							
399										
(795) TOTAL		6,105,337.68	761,168.41	1,409,499.94	90,193.36	123,974.73			5,490,787.52	28
(800) OTHER		(45,001.13)		(9,855.41)					(36,135.72)	(11)
(805) TOTALS		47,855,638.19	6,170,470.34	3,776,082.26	1,127,929.95	527,789.71			49,649,886.03	29

*Use other entries to report depreciation on property purchased, classifying accruals, unusual entries - explain on page 33.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED		
Depreciation expense (403 and 404) (page 3, item 77)	(810)	5,733,744.14
Depreciation charged to transportation expense - clearing	(815)	436,726.20
Depreciation charged to building expense - clearing	(820)	
Depreciation charged to other accounts (list each account number)	(825)	
.....	(830)	
.....	(835)	
.....	(840)	
Total accrual (page 11)	(Item 128)	6,170,470.34

Explanations (continue on page 33 if necessary)

Pennyrile Rural Electric Cooperative Corporation
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ELECTRIC PLANT ACQUISITION ADJUSTMENTS (Account 114)		AMOUNT
DESCRIPTION		
Balance beginning of year		
Additions during year (as below)		
Total		
Charged to expense (Account 406) (page 3, item 78)		
Other reductions (explain below)		
Balance end of year (page 1, item 4)		

ELECTRIC PLANT PURCHASED THIS YEAR*			TOTAL
From whom property acquired (abbreviate)			
Date acquired			
Original cost			
Corrections to date			
Total original cost			
Depreciation reserve at acquisition			
Corrections to date			
Total depreciation reserve			
Base contract purchase price			
Net additions			
Acquisition expense			
Other (explain below)			
Total purchase cost (Item 141)			
Acquisition adjustment (purchase cost, less original cost, net of depreciation)			

*If the original cost and depreciation at acquisition have not been determined for plant purchased this year, report the purchase information only and complete the schedule in the year the purchased plant is classified.

EXPLANATIONS

Give the method of amortizing the acquisition adjustment and other information as required:

CLASSIFICATION OF ELECTRIC PLANT PURCHASED OR SOLD
 Furnish aging of plant purchased and sold on separate worksheet

ELECTRIC PLANT PURCHASED				ELECTRIC PLANT SOLD			
ACCT. NO.	ORIGINAL COST	DEPRECIATION RESERVE	NET PLANT	ACCT. NO.	ORIGINAL COST	DEPRECIATION RESERVE	NET PLANT
Total				Total			

GAIN OR LOSS ON SALE OF ELECTRIC PLANT

Selling price (Item 130)	
Less net plant sold (as above)	
Difference	
Less selling expense (Item 131)	
Gain or loss on sale (Item 129)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

INVESTMENTS IN ASSOCIATED COMPANIES (Report only the investments not considered as current assets)			
OTHER INVESTMENTS - GENERAL FUNDS			
Investments included in Accounts 123 and 124			
DESCRIPTION OF INVESTMENTS (GROUP BY TYPE OF INVESTMENT AND SHOW NO. OF INVESTMENTS)	BALANCE END OF YEAR	INCOME	GAIN OR (LOSS) ON SALES
Class E Stock	982,302.01	181,532.15	
Investment in Federated Insurance Co.	200,687.00	30,676.00	
Long-Term Investment - KAEC	5,000.00	24.32	
Investment in PenWar - 500 shares	500.00		
Investment in Southeastern Data Corp. stock	100.00		
Investment - CFC	1,000.00		
Patronage Capital Alloc - SEDC	143,550.31	36,995.00	
Patronage - United Utility Supply	267,150.46	29,423.00	
Patronage - Arkansas Electric	10,670.97	293.40	
Patronage - KAEC	88,097.49	534.09	
Patronage - Logan Telephone Coop	11,201.62	615.28	
Subtotal	1,710,259.86	280,093.24	
	(page 1, item 8)	(account 419, page 16)	
INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS			
(Investments included in Accounts 125, 126, and 128 - page 15)			
Subtotal			
	(page 15)	(account 419, page 16)	
CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS			
(Report only investments considered as current assets)			
Cash - Temporary Cash Investments		2.16	
Cushion of Credit - Interest Income		247,605.87	
Repurchase Agreement	20,290,790.91	93,650.62	
Interest - District Bank Account		16.94	
Total Temporary Cash Investments	20,290,790.91	341,275.59	
CASH (Accounts 131 - 135)	200,284.68		
Subtotal	20,491,075.59	341,275.59	
	(page 1, item 14)	(account 419, page 16)	
Grand Total	22,201,335.45	621,368.83	

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	SPECIAL FUNDS			ACCOUNT 128 TOTAL OTHER SPECIAL FUNDS	TOTAL OF ALL SPECIAL FUNDS
	ACCOUNT 125 TOTAL SINKING FUNDS	ACCOUNT 126 DEPRECIATION FUNDS	CONSTRUCTION FUNDS		
Cash included in fund end of year					
Investments in fund end of year (page 14)					
Balance of fund end of year (page 1)	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)		
Minimum balance required*					
Authority creating fund**					
<p>* Explain difference if fund balance is less than minimum required. ** State whether fund is required by bond contract, board action, etc.</p>					
Total Sinking					
Depreciation					
Construction					
Other					
<p>Note: Report all debt service funds as sinking funds. Report all funds for renewals and replacements as depreciation funds.</p>					
NONUTILITY PROPERTY (Account 121)					
DESCRIPTION AND LOCATION OF PROPERTY	DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)		
Total					
Less accumulated provision for depreciation (account 122)					
Total net of depreciation (page 1, item 7)				(page 16)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCT. NO.	OTHER INCOME	
415	Revenue from merchandising, jobbing, etc.	410,315.48
416	Cost and expense of merchandising, etc.	(94,340.24)
417*	Income from nonutility operations - net of expense.	
418	Nonoperating rental income - net of expense (page 15).	621,368.83
419	Interest and dividend income (page 14).	
419.1	Interest charged to construction.	90.93
421*	Misc. nonoperating income - net of expense.	937,435.00
(845)	Total other income (page 3, item 83).	

*Explain these items briefly:

417	421
	Surge Protectors - \$83.89
	Time Warner Dividends - \$7.04

ACCT. NO.	MISCELLANEOUS INCOME DEDUCTIONS	
425*	Miscellaneous amortization.	93,402.07
426*	Miscellaneous income deductions.	93,402.07
(850)	Total misc. income deductions (page 3, item 85).	

*Explain these items briefly:

425	426
	Community Donations - \$73,966.30
	Counseling Committee - \$3,921.32
	Employee Membership Dues - \$2,246.67
	Penalties - \$942.30
	Abandoned Work Orders - \$3,919.75
	Frankfort/Washington Youth Tour - \$8,405.73

INVESTMENT PROCEDURES

Are investments in excess of \$100,000 secured? Yes No If yes, how?
 U.S. Treasury obligations. Securities are held by third party and we have a safekeeping receipt.

ACCT. NO.	RECEIVABLES	
141	Notes receivable (Explain on page 33).	10,667,620.09
142	Customer accounts receivable.	300,224.70
143	Other accounts receivable.	
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due).	10,967,844.79
	Total.	12,500.00
144	Accumulated provision for uncollectible accounts.	10,955,344.79
	Accounts receivable net of reserve (page 1, item 15).	

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCT. NO.	MATERIALS AND SUPPLIES	
		613,996.69
154	Plant materials and operating supplies.....	
155	Merchandise.....	170,762.83
156	Other materials and supplies.....	14,256.52
163	Stores expense undistributed.....	799,016.04
(855)	Total materials and supplies (page 1, item 16).....	
Give dates of physical inventories this year: <u>12/10/2010</u> Total of adjustments: \$ _____ over, or \$ <u>2,190.93</u> short		
PREPAYMENTS - Account No. 165		
		206,907.71
	Prepaid insurance.....	
	Prepaid employee pension plan.....	13,068.66
	Prepaid taxes (page 29).....	
	Prepaid rents.....	59,968.12
	Other prepayments.....	279,944.49
	Total prepayments (page 1, item 17).....	
OTHER CURRENT ASSETS		
		13,226.07
171	Interest and dividends receivable.....	328,657.50
172	Rents receivable.....	1,705,681.51
173	Accrued utility revenue.....	
174	Miscellaneous current and accrued assets.....	2,047,565.08
	Total other current assets (page 1, item 18).....	
DEFERRED DEBITS		
		1,510,409.18
181	Unamortized debt expense (page 1, item 20).....	
Give method and period of amortization: AMORTIZED OVER LIFE OF LOAN		
186	Deferred costs on TVA leases (page 1, item 25)	
	Additions	
	Removal Costs	
	Salvage	
	Accumulated Amortization	
	Total as above	21,141,357.38
186	Miscellaneous deferred debits (page 1, item 26)	
List of Items:		
	Receivables from plant sales (item 148)	
	Other items (list):	44,227.93
	Notes Receivable - PenWar, Inc. Customers	2,654,671.65
	Retirement Deferred Debit	18,442,457.80
	Notes Receivable - FTC - UESC	
	Total as above	21,141,357.38

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200	FEDERAL FINANCING BANK PENNYRILE 0003 0001		FEDERAL FINANCING BANK PENNYRILE 0003 0002		FEDERAL FINANCING BANK PENNYRILE 0001 0001	
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200	FEDERAL FINANCING BANK PENNYRILE 0001 0002		FEDERAL FINANCING BANK PENNYRILE 0001 0003		FEDERAL FINANCING BANK PENNYRILE 0001 0004	
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE							
DETAILS REGARDING BONDS ON PAGE							
MATURITIES: MONTH AND DAY	100						
NAME OF ISSUE	200		FEDERAL FINANCING BANK PENNYRILE 0001 0005		FEDERAL FINANCING BANK PENNYRILE 0002 0001		FEDERAL FINANCING BANK PENNYRILE 0002 0002
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	
2010							
2011							
2012							
2013							
2014							
2015							
2016							
2017							
2018							
2019							
2020							
2021							
2022							
2023							
2024							
2025							
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
2036							
2037							
2038							
2039							
2040							
2041							
2042							
2043							
2044							
2045							
2046							
2047							
2048							
2049							
2050							
2051							
2052							
2053							
2054							
OUTSTANDING END OF YEAR	300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200		FEDERAL FINANCING BANK PENNYRILE 0002 0003		FEDERAL FINANCING BANK PENNYRILE 0002 0004		FFB CUSHION OF CREDIT (RUS)
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2055						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE					
DETAILS REGARDING BONDS ON PAGE					
MATURITIES: MONTH AND DAY 100		0/0			
NAME OF ISSUE 200	POST RETIREMENT BENEFITS DUE TO EMPLOYEES				
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					
2050					
2051					
2052					
2053					
2054					
OUTSTANDING END OF YEAR 300					

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YR)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLOTMENT (ACCOUNT 224.2)	AMOUNT REPAID THIS YEAR		DEFERRED INTEREST	OUTSTANDING END OF YEAR EXCLUDING CUSHION OF CREDIT
							PRINCIPAL	INTEREST		
01-1B250	7/28/83	5.00	35	11/1986	947,500.00		388,731.61	4,818.68		
02-1B252	7/28/83	5.00	35	11/1986	947,500.00		388,731.61	7,876.40		
03-1B275	6/19/95	5.00	35	01/1996	2,042,000.00		1,519,018.54	6,468.82		357.86
04-1B280	10/29/96	5.00	35	07/1998	6,626,000.00		148,265.66	262,211.26		5,162,512.57
05-1B285	2/2/98	5.00	35	07/1998	3,935,000.00		87,756.44	155,695.24		3,065,538.83
06-1B286	6/22/98	5.13	35	07/1998	2,691,000.00		59,157.93	110,052.15		2,114,739.51
07-				/						
08-				/						
09-				/						
10-				/						
11-				/						
12-				/						
13-				/						
14-				/						
15-				/						
16-				/						
17-				/						
18-				/						
19-				/						
20-				/						
21-				/						
22-				/						
23-				/						
24-				/						
25-				/						
26-				/						
27-				/						
28-				/						
29-				/						
30-				/						
31-				/						
32-				/						
33-				/						
34-				/						
35-				/						
36-				/						
37-				/						
38-				/						
39-				/						
40-				/						
(850) Total					17,189,000.00		2,591,661.79	547,122.55		10,343,148.77

List Note Numbers Paid Monthly: 1B250 1B252 1B275 1B280 1B285 1B286

*EXCLUDING CUSHION OF CREDIT.

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE NUMBER	DATE OF NOTE	INT. RATE	CFC OR COBANK	TERM OF NOTE (YRS)	AMOUNT OF		UNADVANCED LOAN	AMT REPAID THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
					LOAN APPROVED	LOAN		PRINCIPAL	INTEREST		NOTE NUMBER	%
01-377756	3/18/97	8.09	COBANK	35	5,680,000.00		1,871,616.58	98,083.45	1B280	30.00		
02-377747	7/7/97	7.80	COBANK	35	3,547,000.00		3,112,340.77	103,112.75	1B280	30.00		
03-1679742	10/31/03	4.90	COBANK	13	6,081,760.08		616,430.76	119,635.49		2,021,328.79		
04-105638	9/1/06	5.38	COBANK	10	9,171,343.00		793,097.15	329,439.55		5,579,430.40		
05-2194594	2/1/08	3.99	COBANK	3	11,500,000.00		2,023,659.34	37,871.10				
06-2215155	4/10/08	3.74	COBANK	3	4,500,000.00		1,172,691.94	25,672.97				
07-2427406	7/19/10	4.44	COBANK	18	2,285,755.63		134,344.05	75,535.34		2,151,411.58		
08-												
09-												
10-												
11-												
12-												
13-												
14-												
15-												
16-												
17-												
18-												
19-												
20-												
21-												
22-												
23-												
24-												
25-												
26-												
27-												
28-												
29-												
30-												
31-												
32-												
33-												
34-												
35-												
36-												
37-												
38-												
39-												
40-												
41-												
(865) Total.....					42,765,858.71		9,724,180.59	789,350.65		9,752,170.77		

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

LONG-TERM DEBT - RUS		AMOUNT
ACCT.	PRINCIPAL DATA	
224.1	Long-term debt - RUS.	10,343,148.77
224.2	Unadvanced RUS allotment - debit (page 21)	
224.3	Deferred interest - RUS.	
224.4	Long-term debt - RUS - matured and deferred.	
224.5	Cushion of credit - RUS - debit.	(2,151,080.29)
Net balance due RUS as above (page 2, item 36).		8,192,068.48
Total additions to RUS long-term debt this year. (Item 132)		<input type="text" value=""/>
Repayments for the year excluding advance payments. (Item 143)		2,591,661.79
INTEREST ACCRUED - RUS (Account 237.1)		AMOUNT
Balance beginning of year (matured \$.00).		
Accrued during year (Account 427.1) (page 3, item 87) (page 26 summary).		547,122.55
Repayments this year.		547,122.55
Balance end of year (matured \$.00) (page 2, item 49)(page 26 summary).		
LONG-TERM DEBT - CFC		AMOUNT
ACCT.	PRINCIPAL DATA	
223.1	Subscriptions to CFC capital term certificates - debit.	-
223.2	Unpaid subscriptions to CFC capital term certificates - credit.	
223.4	CFC loan approved - unadvanced - debit (page 22).	-
223.5	Long-term debt - CFC credit.	
223.61	Patronage capital certificates - debit.	-
223.62	Deferred patronage dividends - credit.	
Net CFC account (account 223) (page 2, item 37).		
Total additions to CFC long-term debt this year. (Item 135)		<input type="text" value=""/>
Repayments for the year excluding advance payments. (Item 144)		<input type="text" value=""/>
INTEREST ACCRUED - CFC (Account 237.2)		AMOUNT
Balance beginning of year (matured \$.00).		
Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary).		
Repayments this year.		
Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary).		
LONG-TERM DEBT - COBANK		AMOUNT
ACCT.	PRINCIPAL DATA	
229.10	Long Term Debt - CoBank - credit.	9,752,170.77
229.20	Unadvanced allotment - CoBank - debit.	
229.30	Subscription to class "C" stock - CoBank - debit.	
229.40	Unpaid subscription to class "C" stock - CoBank - credit.	
229.50	Allocated earnings receivable - CoBank - debit.	
229.51	Allocated earnings deferred - CoBank - credit.	
Net CoBank account (account 229) (page 2, item 38).		9,752,170.77
Amount received on allotment this year. (Item 136)		2,285,755.63
Repayments this year. (Item 145)		9,724,180.59
INTEREST ACCRUED - COBANK (Account 237.6)		AMOUNT
Balance beginning of year (matured \$.00).		(1,950,434.34)
Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary).		419,610.33
Repayments this year.		789,350.65
Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary).		(2,320,174.66)

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0001 0001
 Date of Issue: 04/22/1999 Amount of original Issue: \$ 3,500,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____ Issued or assumed: _____
 Revenue or general obligation bonds: Other - 228
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	3,007,594.95	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	168,513.67
Total	3,007,594.95	Total	168,513.67
Bonds retired this year	68,510.45	Payments during year	168,513.67
Balance end of year	2,939,084.50	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	2,939,084.50	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0001 0002
 Date of Issue: 11/04/1999 Amount of original Issue: \$ 4,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____ Issued or assumed: _____
 Revenue or general obligation bonds: Other - 228
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	3,491,545.79	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	218,853.47
Total	3,491,545.79	Total	218,853.47
Bonds retired this year	72,946.01	Payments during year	218,853.47
Balance end of year	3,418,599.78	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	3,418,599.78	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0003
 Date of issue: 11/01/2000 Amount of original issue: \$ 6,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	5,193,709.62	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	306,713.07
Total	5,193,709.62	Total	306,713.07
Bonds retired this year	113,765.73	Payments during year	306,713.07
Balance end of year	5,079,943.89	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	5,079,943.89	Balance less matured (237.3)	

Name of issue: POST RETIREMENT BENEFITS DUE TO EMPLOYEES
 Date of issue: _____ Amount of original issue: \$ _____
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	1,495,800.00	Accrued beginning of year	
Issued during year	177,703.33	Accrued during year (427.3)	
Total	1,673,503.33	Total	
Bonds retired this year	63,603.33	Payments during year	
Balance end of year	1,609,900.00	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	1,609,900.00	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0001 0004
 Date of Issue: 05/23/2002 Amount of original Issue: \$ 6,000,000.00
 Cash realized: \$ 6,000,000.00 Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what Index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	4,942,744.81	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	211,640.00
Total	4,942,744.81	Total	211,640.00
Bonds retired this year	133,111.68	Payments during year	211,640.00
Balance end of year	4,809,633.13	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	4,809,633.13	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0001 0005
 Date of Issue: 03/31/2003 Amount of original Issue: \$ 5,533,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what Index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	4,678,899.53	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	200,342.59
Total	4,678,899.53	Total	200,342.59
Bonds retired this year	126,006.13	Payments during year	200,342.59
Balance end of year	4,552,893.40	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	4,552,893.40	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0002 0001
 Date of Issue: 07/01/2005 Amount of original Issue: \$ 6,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	5,533,826.30	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	235,421.38
Total	5,533,826.30	Total	235,421.38
Bonds retired this year	110,252.14	Payments during year	235,421.38
Balance end of year	5,423,574.16	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	5,423,574.16	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0002 0002
 Date of issue: 02/09/2008 Amount of original Issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	7,480,313.05	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	355,346.08
Total	7,480,313.05	Total	355,346.08
Bonds retired this year	137,797.64	Payments during year	355,346.08
Balance end of year	7,342,515.41	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	7,342,515.41	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNRYILE 0002 0003
 Date of Issue: 03/26/2007 Amount of original Issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what Index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	7,601,371.67	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	370,739.83
Total	7,601,371.67	Total	370,739.83
Bonds retired this year	137,222.19	Payments during year	370,739.83
Balance end of year	7,464,149.48	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	7,464,149.48	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNRYILE 0002 0004
 Date of Issue: 08/13/2007 Amount of original Issue: \$ 3,462,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what Index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	3,316,232.60	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	168,998.16
Total	3,316,232.60	Total	168,998.16
Bonds retired this year	57,800.85	Payments during year	168,998.16
Balance end of year	3,258,431.75	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	3,258,431.75	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0003 0001
 Date of issue: 02/06/2009 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....	8,000,000.00	Accrued beginning of year.....	
Issued during year.....		Accrued during year (427.3).....	208,895.95
Total.....	8,000,000.00	Total.....	208,895.95
Bonds retired this year.....	165,347.11	Payments during year.....	208,895.95
Balance end of year.....	7,834,652.89	Balance end of Year.....	
Including matured of (239).....		Including matured of (240).....	
Balance less matured (221).....	7,834,652.89	Balance less matured (237.3).....	

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0003 0002
 Date of issue: 07/29/2010 Amount of original issue: \$ 10,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....		Accrued beginning of year.....	
Issued during year.....	10,000,000.00	Accrued during year (427.3).....	24,429.83
Total.....	10,000,000.00	Total.....	24,429.83
Bonds retired this year.....	302,085.34	Payments during year.....	24,429.83
Balance end of year.....	9,697,914.66	Balance end of Year.....	
Including matured of (239).....		Including matured of (240).....	
Balance less matured (221).....	9,697,914.66	Balance less matured (237.3).....	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FFB CUSHION OF CREDIT (RUS)
 Date of Issue: _____ Amount of original Issue: \$ 16,108.37
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....		Accrued beginning of year.....	
Issued during year.....		Accrued during year (427.3).....	
Total.....		Total.....	
Bonds retired this year.....	16,108.37	Payments during year.....	
Balance end of year.....	(16,108.37)	Balance end of Year.....	
Including matured of (239).....		Including matured of (240).....	
Balance less matured (221).....	(16,108.37)	Balance less matured (237.3).....	

SUMMARY OF LONG-TERM DEBT - BONDS (Account 221) AND OTHER (Account 228)

	ACCOUNT 221	OTHER* ACCOUNT 228	TOTAL*	POST- RETIREMENT BENEFITS ACCOUNT 228	TVA ACCOUNT 228
Balance beginning of year.....		53,246,238.32	53,246,238.32	1,495,800.00	
Issued during year..... (Item 137)		10,000,000.00	10,000,000.00	177,703.33	
Total.....		63,246,238.32	63,246,238.32	1,673,503.33	
Bonds retired this year..... (Item 146)		1,440,953.64	1,440,953.64	63,603.33	
Balance end of year.....		61,805,284.68	61,805,284.68	1,609,900.00	
Including matured of (239)..... (Item 147)					
Balance less matured (221).....		61,805,284.68	61,805,284.68	1,609,900.00	

(page 2, item 39.1) (page 2, item 39.2) (page 2, item 39.3)

SUMMARY OF INTEREST ACCRUED - LONG-TERM DEBT (Account 237)

	TOTAL
Accrued beginning of year.....	
Accrued during year (427.3) (page 26).....	2,469,894.03
Total.....	2,469,894.03
Payments during year.....	2,469,894.03
Balance end of year.....	
Including matured of (240).....	
Balance less matured (237.3) (page 26).....	

*Less TVA Long-term Debt and Postretirement Benefits

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTES PAYABLE (Account 231)											
PRINCIPAL DATA						INTEREST ACCRUED					
Balance beginning of year.						Accrued beginning of year.					
New notes issued during year.						Accrued during year (as below).					
Total.						Total.					
Notes retired this year.						Payments during year.					
Balance end of year.						Balance end of year (as below).					
Portion of balance TVA (page 2, item 45.1).											
Portion of balance non-TVA (page 2, item 45.2). ...											
CUSTOMER DEPOSITS (Account 235)											
Balance accrued interest on customer deposits end of year.										141,829.42	
Balance customer deposits end of year (Account 235).										5,280,535.65	
Total customer deposits (page 2, item 47).										5,422,365.07	
SUMMARY OF ACCRUED INTEREST AND INTEREST EXPENSE											
ACCT. NO.	DESCRIPTION	FROM PAGE NO.	REPORT ON BALANCE SHEET AS INDICATED BELOW				REPORT ON REVENUE AND EXPENSE STATEMENT AS INDICATED BELOW				
			ACCT. NO.	PAGE NO.	ITEM NO.	ACCRUED END OF YEAR	ACCT. NO.	PAGE NO.	ITEM NO.	EXPENSE FOR YEAR	
221	Bonds	25	237.3	2	52.2		427.3	3	90.1		
223	CFC	23	237.2	2	50		427.2	3	88		
224	RUS	23	237.1	2	49		427.1	3	87	547,122.55	
229	CoBank	23	237.6	2	51	(2,320,174.66)	427.4	3	89	419,610.33	
228	TVA long term	25	237.3	2	52.1		427.3	3	90.2		
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	2,469,894.03	
231	TVA Notes Payable	Above	237.5	2	52.1		431	3	90.2		
231	Other notes payable	Above	237.5	2	52.2		431	3	92		
235	Customer Deposits	Above	235	Above	—		431	3	92	304,584.91	
—	Delinquent taxes	—	237.5	2	52.2		431	3	92		
Total interest accrued end of year.						(2,320,174.66)	Net expense for year. ...				3,741,211.82
Total item 49 (page 2)							Total item 87 (page 3) ...				547,122.55
Total item 50 (page 2)							Total item 88 (page 3) ...				
Total item 51 (page 2)						(2,320,174.66)	Total item 89 (page 3) ...				419,610.33
Total item 52.1 (page 2)							Total item 90.1 (page 3) ...				2,469,894.03
Total item 52.2 (page 2)							Total item 90.2 (page 3) ...				
							Total item 92 (page 3) ...				304,584.91
ACCOUNTS PAYABLE											
ACCT. NO.											
232	Accounts payable - general (includes \$14,653,500.00 to TVA for purchased power and Fac.Rental).									15,902,403.14	
232	Accrued purchased power.										
233	Accounts payable - spec. const.										
234	Payable to municipal - utility revenue.										
234	Other payables to municipality.										
Total accounts payable - general (page 2, item 46).										15,902,403.14	
OTHER CURRENT AND ACCRUED LIABILITIES											
ACCT. NO.											
239	Matured long-term debt (pages 23, 24, and 25).										
240	Matured interest (pages 23, 24, and 25).									225,480.97	
241	Tax collections payable.										
242	Miscellaneous - accrued insurance.									252,409.79	
242	Miscellaneous - employees' accrued leave.									1,153,776.94	
242	Miscellaneous - other.									1,631,667.70	
Total other current and accrued liabilities (page 2, item 53).											
OTHER DEFERRED CREDITS (Account 253)											
Payables for plant purchases; (item 149)										1,031,507.78	
Other items (List): See Page 33.											
Total other deferred credits (page 2, item 56)										1,031,507.78	
Total other deferred credits (page 2, item 56)										1,031,507.78	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT							
<input checked="" type="radio"/> TAX, OR <input type="radio"/> TAX EQUIVALENT		TN. EQUAL- IZATION RATIO	STATE ASSESS- MENT RATIO	TAX ASSESSMENT OR VALUATION	RATE PER \$100	TAX OR EQUIVALENT FOR TAX PERIOD	AMOUNT APPLICABLE FOR FISCAL YEAR
PERIOD	DISTRICT						
1/1/10 12/31/10	STATE OF KENTUCKY			107,174,173.00	.3791		406,322.16
1/1/10 12/31/10	TRENTON			176,180.00	.3780		665.96
1/1/10 12/31/10	ELKTON			1,471,300.00	.3007		4,424.93
1/1/10 12/31/10	CADIZ			3,167,068.00	.2978		9,430.82
1/1/10 12/31/10	RUSSELLVILLE			957,126.00	.3045		2,914.46
1/1/10 12/31/10	LEWISBURG			278,035.00	.3920		1,068.10
1/1/10 12/31/10	PEMBROKE			205,697.00	.2700		555.38
1/1/10 12/31/10	GUTHRIE			405,888.00	.4500		1,789.97
1/1/10 12/31/10	HOPKINSVILLE			8,065,990.00	.2426		19,565.05
1/1/10 12/31/10	ADAIRVILLE			199,426.00	.3930		768.07
1/1/10 12/31/10	OAK GROVE			1,167,042.00	.1860		2,170.70
1/1/10 12/31/10	TRIGG COUNTY			15,778,140.00	.7412		116,946.56
1/1/10 12/31/10	LOGAN COUNTY			16,007,238.00	.8063		129,073.90
1/1/10 12/31/10	CALDWELL COUNTY			2,728,237.00	.6493		17,714.44
1/1/10 12/31/10	SIMPSON COUNTY			37,469.00	.7194		269.56
1/1/10 12/31/10	BUTLER COUNTY			1,322,118.00	.8151		10,776.58
1/1/10 12/31/10	MUHLBERG COUNTY			5,922,826.00	.7532		44,608.10
1/1/10 12/31/10	TODD COUNTY			13,349,736.00	.6300		84,108.09
1/1/10 12/31/10	CHRISTIAN COUNTY			31,607,436.00	.6864		216,938.81
1/1/10 12/31/10	LYON COUNTY			2,568,506.00	1.1408		29,301.52
1/1/11 12/31/11	CHRISTIAN COUNTY			876,647.00	.7120		6,241.71
1/1/11 12/31/11	LOGAN COUNTY			260,440.00	.7037		1,832.72
1/1/11 12/31/11	TODD COUNTY			390,459.00	.7134		2,785.51
1/1/11 12/31/11	TRIGG COUNTY			318,546.00	.6840		2,178.83
1/1/11 12/31/11	STATE OF KENTUCKY			1,846,092.00	.4500		8,307.47
1/1/11 12/31/11	HOPKINSVILLE			876,647.00	.2510		2,200.38
1/1/11 12/31/11	RUSSELLVILLE			260,440.00	.2200		572.99
1/1/11 12/31/11	ELKTON			390,459.00	.3030		1,183.09
1/1/11 12/31/11	CADIZ			318,546.00	.2620		834.62
	TOTAL PAID						1,125,550.48

Where more than one tax period is applicable to the current fiscal year, show beginning and ending dates of each tax period. Compute tax or tax equivalent for each tax period and show amount prorated to this fiscal year. For tax equivalents show all the components of the tax base and applicable tax equivalent by taxing districts. When tax equivalent payments are determined other than by applying applicable tax rates to net plant, describe basis, explain any change from previous period, and include data showing breakdown of net plant by taxing districts and applicable tax rates. Use extra sheets if needed.

REPORT FOR FISCAL YEAR ENDED JUNE 30, 2011

**PENNYRILE RURAL ELECTRIC COOPERATIVE CORPORATION
BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY
TAX OR TAX EQUIVALENT X TAX OR EQUIVALENT**

TAX PERIOD JAN 1, 2010 TO DEC. 31, 2010	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD FY	APPLICABLE FOR FISCAL YEAR
STATE OF KENTUCKY				
Real Estate	6,830,555	0.00122		\$8,333.28
Tangible Property	82,491,151	0.00450		371,210.18
Mfg. Machinery	17,852,467	0.00150		26,778.70
				=====
Total				\$406,322.16
CITIES				
Trenton	176,180	0.00378		\$665.96
Elkton				
Real Estate	199,000	0.00248		\$493.52
Tangible Property	1,272,300	0.00309		3,931.41
				=====
Total				\$4,424.93
Cadiz				
Real Estate	1,594,200	0.002650		\$4,224.63
Personal	1,572,868	0.003310		5,206.19
				=====
Total				\$9,430.82
Russellville				
Real Estate	236,500	0.002550		591.02
Personal	720,626	0.003290		2,323.44
				=====
Total				\$2,914.46
Lewisburg	278,035	0.00392		\$1,068.10
Pembroke	205,697	0.00270		\$555.38
Guthrie	405,888	0.0045		\$1,789.97
Hopkinsville				
Real Estate	4,018,532	0.00244		\$9,805.22
Personal	4,047,458	0.00251		10,159.12
				=====
				\$19,565.05
Adairville	199,426	0.003930		\$768.07
Oak Grove	1,167,042	0.00186		\$2,170.70

TAX PERIOD JAN 1, 2010 TO DEC. 31, 2010	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD F/Y	APPLICABLE FOR FISCAL YEAR
COUNTIES				
Trigg				
R. E. County	1,798,902	0.000800		\$1,439.12
R. E. School	1,798,902	0.004590		8,256.96
T. P. County	13,979,238	0.001143		15,978.27
T. P. School	13,979,238	0.004590		64,164.70
T. P. Health	13,979,238	0.001278		17,865.47
T. P. Library	13,979,238	0.000517		7,227.27
R. E. Health	1,798,902	0.000800		1,439.12
R. E. Library	1,798,902	0.000320		575.65
				=====
Total				\$116,946.56
Logan				
R. E. County	469,424	0.001300		\$610.25
Health	469,424	0.000200		93.88
Library	469,424	0.000840		394.32
Extension	469,424	0.000405		190.12
Soil Conservation	469,424	0.000141		66.19
Common School	232,924	0.003660		852.50
Graded School	236,500	0.007330		1,733.55
Big Muddy	236,500	0.001000		236.50
Mud River	232,924	0.000135		31.44
T. P. County	15,537,814	0.002200		34,183.19
Health	15,537,814	0.000200		3,107.56
Library	15,537,814	0.001127		17,511.12
Extension	15,537,814	0.000679		10,550.18
Common School	14,817,188	0.003660		54,230.91
Graded School	720,626	0.007330		5,282.19
				=====
Total				\$129,073.90
Caldwell - Stan Hudson				
T. P. County	2,728,237	0.00115		\$3,137.47
T. P. School	2,728,237	0.00350		9,548.83
T. P. Extension	2,728,237	0.000387		1,055.83
Library - Tangible	2,728,237	0.00056		1,516.90
Hospital - Tangible	2,728,237	0.00055		1,500.53
Health - Tangible	2,728,237	0.00035		954.88
				=====
Total				\$17,714.44
Simpson- Gene Starks				
T.P. County	37,469	0.002		59.58
T.P. School	37,469	0.004370		163.74
Library	37,469	0.000770		28.85
Extension	37,469	0.000211		7.91
Ambulance	37,469	0.000400		14.99
				=====
Total				\$269.56

TAX PERIOD JAN 1, 2010 TO DEC. 31, 2010	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD F/Y	APPLICABLE FOR FISCAL YEAR
Butler				
County	1,322,118	0.000860		\$1,137.02
School	1,322,118	0.003770		4,984.38
Health	1,322,118	0.000225		297.48
Ambulance	1,322,118	0.001000		1,322.12
Library	1,322,118	0.001404		1,856.25
Extension	1,322,118	0.000892		1,179.33
				=====
Total				\$10,776.58
Muhlenberg				
R. E. School	137,184	0.004970		\$681.80
T. P. School	5,785,642	0.004970		28,754.64
R. E. Library	137,184	0.000810		111.12
T. P. Library	5,785,642	0.001137		6,578.27
R. E. Franchise	137,184	0.001020		139.93
T. P. Franchise	5,785,642	0.000980		5,669.93
R. E. Health	137,184	0.000180		24.69
T. P. Health	5,785,642	0.000180		1,041.42
R. E. Extension	137,184	0.000180		24.69
T. P. Extension	5,785,642	0.000180		1,041.42
R. E. Cons. Dist.	137,184	0.000052		7.13
R. E. Airport	137,184	0.000090		12.35
T. P. Airport	5,785,642	0.000090		520.71
				=====
Total				\$44,608.10
Todd - Keith Wells				
T. P. County	13,099,560	0.001099		\$14,396.42
T. P. School	13,099,560	0.003610		47,289.41
T. P. Library	13,099,560	0.000689		9,025.60
T. P. Health	13,099,560	0.000330		4,322.85
T. P. Extension	13,099,560	0.000583		7,637.04
R. E. County	250,176	0.000990		247.67
R. E. School	250,176	0.003610		903.14
R. E. Library	250,176	0.000370		92.57
R. E. Extension	250,176	0.000343		85.81
R. E. Soil Conservation	250,176	0.000100		25.02
R. E. Health	250,176	0.000330		82.56
				=====
Total				\$84,108.09
Christian				
T. P. County	27,432,567	0.00270		\$74,067.93
T. P. School	27,432,567	0.00379		103,969.43
T. P. Extension Service	27,432,567	0.000328		8,997.88
T. P. Health	27,432,567	0.00018		4,937.86
R. E. County	4,174,869	0.00174		7,264.27
R. E. School	4,174,869	0.00379		15,822.75
R. E. Health	4,174,869	0.00018		751.48
R. E. Ext. Service	4,174,869	0.000230		960.22
R. E. Soil Conservation	4,174,869	0.00004		166.99
				=====
Total				\$216,938.81

TAX PERIOD JAN 1, 2010 TO DEC. 31, 2010	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD F/Y	APPLICABLE FOR FISCAL YEAR
Lyon				
T. P. County	2,568,506	0.002320	\$5,958.93	
T. P. School	2,568,506	0.004010	10,299.71	
Library	2,568,506	0.001746	4,484.61	
Ambulance	2,568,506	0.002278	5,851.06	
Health	2,568,506	0.000230	590.76	
Extension Service	2,568,506	0.000824	2,116.45	
			=====	
Total			\$29,301.52	

			\$1,099,413.16	\$549,706.58
			=====	
Estimated Tax Liability C/Y 2011		State	\$406,322.16	
		Cities	43,353.43	
		Counties	649,737.56	

			\$1,099,413.16	\$549,706.58
			=====	
Underaccrual F/Y '2010		State	\$36,951.18	
		Cities	1,215.44	
		Counties	89,946.21	

			\$128,112.82	\$128,112.82

Total Tax Expense F/Y 2011				\$1,227,525.98
				=====

PENNYRILE RURAL ELECTRIC COOPERATIVE CORPORATION
BASIS FOR COMPUTATION OF PREPAID AD VALOREM PROPERTY TAX
TAX OR TAX EQUIVALENT X TAX OR EQUIVALENT

Page 28E

Tax Period Jan. 1 2010 to Dec. 31, 2010	Tax Assessment of Valuation	Rate	Tax or Equivalent For Tax Period	Amount Applicable For FY '11
Counties				
=====				
Christian				
=====				
State	478,825	0.0045	2,154.80	1,077.40
City-Hopkinsville	478,825	0.00251	1,201.82	600.91
County	478,825	0.00116	555.41	277.71
School	478,825	0.00566	2,709.98	1,354.99
Extension	478,825	0.00012	57.48	28.74
Health	478,825	0.00018	86.31	43.15
Library	162	0.00035	0.06	0.03
TOTAL COUNTY			3,409.24	1,704.62
Logan				
=====				
State	203,280	0.0045	914.78	457.39
City-Russellville	203,280	0.0022	447.23	223.61
County	203,280	0.00106	215.49	107.75
Health	203,280	0.000200	40.68	20.34
Extension	203,280	0.000157	31.89	15.95
Independent School	203,280	0.00539	1,095.66	547.83
Library	203,280	0.00023	46.74	23.37
TOTAL COUNTY			1,430.46	715.24
Todd				
=====				
State	348,639	0.00450	1,568.90	784.45
City-Elkton	348,639	0.00303	1,056.36	528.18
County	348,639	0.00101	352.13	176.06
School	348,639	0.00524	1,826.88	913.44
Health	348,639	0.00033	115.06	57.53
Extension	348,639	0.00030	106.00	53.00
Library	348,639	0.00025	87.18	43.59
TOTAL COUNTY			2,487.25	1,243.62
Trigg				
=====				
State	286,250	0.00450	1,288.14	644.07
City-Cadiz	286,250	0.00262	749.99	374.99
County	286,250	0.00096	274.81	137.41
School	286,250	0.00459	1,313.90	656.95
Health/Amb.	286,250	0.00094	269.07	134.54
Library	286,250	0.00035	100.19	50.09
TOTAL COUNTY			1,957.97	978.99
			=====	=====
			\$18,666.94	\$9,333.47

PENNYRILE RURAL ELECTRIC COOPERATIVE CORPORATION
BASIS FOR COMPUTATION OF PREPAID AD VALOREM PROPERTY TAX
TAX OR TAX EQUIVALENT X TAX OR EQUIVALENT

Page 28F

Tax Period Jan. 1 2011 to Dec. 31, 2011	Tax Assessment of Valuation	Rate	Tax or Equivalent For Tax Period	Amount Applicable For FY '12
Counties				
=====				
Christian				
=====				
State	876,647	0.0045	3,944.93	1,972.47
City-Hopkinsville	876,647	0.00251	2,200.38	1,100.19
County	876,647	0.00116	1,016.91	508.46
School	876,647	0.00566	4,961.78	2,480.89
Extension	876,647	0.00012	105.23	52.61
Health	876,647	0.00018	157.79	78.89
TOTAL COUNTY			6,241.71	3,120.85
Logan				
=====				
State	260,440	0.0045	1,171.99	586.00
City-Russellville	260,440	0.0022	572.99	286.49
County	260,440	0.00106	276.06	138.03
Health	260,440	0.000200	52.11	26.05
Extension	260,440	0.000157	40.88	20.44
Independent School	260,440	0.00539	1,403.78	701.89
Library	260,440	0.00023	59.89	29.95
TOTAL COUNTY			1,832.72	916.36
Todd				
=====				
State	390,459	0.00450	1,757.08	878.54
City-Elkton	390,459	0.00303	1,183.09	591.55
County	390,459	0.00101	394.35	197.18
School	390,459	0.00524	2,046.01	1,023.00
Health	390,459	0.00033	128.84	64.42
Extension	390,459	0.00030	118.70	59.35
Library	390,459	0.00025	97.61	48.81
TOTAL COUNTY			2,785.51	1,392.76
Trigg				
=====				
State	318,546	0.00450	1,433.47	716.73
City-Cadiz	318,546	0.00262	834.62	417.31
County	318,546	0.00096	305.79	152.90
School	318,546	0.00459	1,462.13	731.06
Health/Amb.	318,546	0.00094	299.43	149.71
Library	318,546	0.00035	111.48	55.74
TOTAL COUNTY			2,178.83	1,089.41
			=====	=====
			\$26,137.32	\$13,068.66
Amount carried from Page 28E				\$9,333.47
				=====
				\$22,402.13

Pennyrle Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

PREPAID TAXES									
Do not report any taxes listed in schedule of Account 236 below as prepaid - if prepaid show debit balance in Account 236.									
TAXING JURISDICTION	% OF GROSS REVENUE	BALANCE BEGINNING OF YEAR	PAYMENTS	PERIOD COVERED	ACCT. NO.	WRITEOFF		BALANCE END OF YEAR	
						AMOUNT			
TRIGG		978.99	2,178.83	12/31/2011	408.1	2,068.40		1,089.42	
LOGAN		715.24	1,832.72	12/31/2011	408.1	1,631.60		916.36	
TODD		1,243.62	2,785.51	12/31/2011	408.1	2,636.38		1,392.75	
CHRISTIAN		1,704.62	6,241.71	12/31/2011	408.1	4,825.47		3,120.86	
ELKTON		528.18	1,183.09	12/31/2011	408.1	1,119.73		591.54	
CADIZ		374.99	834.62	12/31/2011	408.1	792.30		417.31	
RUSSELLVILLE		223.61	572.99	12/31/2011	408.1	510.10		286.50	
HOPKINSVILLE		600.91	2,200.38	12/31/2011	408.1	1,701.10		1,100.19	
KY		2,963.31	8,307.47	12/31/2011	408.1	7,117.05		4,153.73	
Total		9,333.47	26,137.32			22,402.13		13,068.66	

ACCRUED TAXES (Account 236)									
ACCT. NO.	KIND OF TAX	BALANCE OF YEAR	PAYMENTS	TAX EXPENSE (ACCOUNT 408)	TRANSFERRED	BALANCE END OF YEAR			
408.1	Property	529,869.50	1,099,413.16		1,119,250.24	549,706.58			
408.2	U.S. Social Security - unemployment	268.79	6,982.31		6,824.05	110.53			
408.3	U.S. Social Security - FICA		406,379.23		406,379.23				
408.4	State Social Security - unemployment		9,732.92		9,732.92				
408.5	Gross receipts - state								
408.6	Income - state								
408.7	Other (list below)								
408.7	Oak Grove Franchise Tax		237,629.55		237,629.55				
408.7	Reallocation of Prepaid Vehicle Taxes			(22,402.13)	22,402.13				
408.7	School Tax	278,215.14	3,231,898.83	3,239,988.54	1,639.52	287,944.37			
	Total	808,353.43	4,992,036.00	3,217,586.41	1,803,857.64	837,761.48			
(885)	Tax expense from the writeoff of prepaid privilege taxes (as above)			22,402.13					
(890)	Total tax expense for the year (page 3, item 79)			3,239,988.54					

Social Security and Federal and State unemployment taxes paid should be reported under payments, and the portion not charged to tax expense should be reported as "Transferred".

GENERAL INFORMATION

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)
 Board of Directors and General Manager

2. In the case of a Power Board (or Utilities Board), list any other departments of the city over which it exercises control.

3. (a) Give the statutes under which the electric system was created.
 KENTUCKY REVISED STATUTES, CHAPTER 279

- (b) Give the statutes under which the electric system is currently operating if different from the above.

4. (a) Are customers' accounts billed by an outside organization? N
 If so, give name. If not, give the type in-house hardware. HP 9000

- (b) At June 30:
 - 1) What percentage is added to customer bills for late payments? 5.00 %
 - 2) How many days are allowed between date of bill and last day before gross billing applies? 15 days
 - 3) Is an "Even Monthly Payment" (budget billing) plan available for electric consumers? Y Yes No
 - 4) Amount of security deposit required for residential service:

Owner with Electric Heat	\$125.00
Owner without Electric Heat	\$125.00
Tenant with Electric Heat	\$200.00
Tenant without Electric Heat	\$200.00
Other (describe)	
 - 5) Are there any customer deposits that qualify (deposits exceeding 1 month's average bill and held longer than 6 months) for the payment of interest under the service practice standard entitled Deposit? If yes, what rate of interest is paid?

Class	Yes/No	Interest Rate
Residential	Y	6.00 %
C & I Part A	Y	6.00 %
C & I Part B	Y	6.00 %
 - 6) Is interest on deposits:

Refunded by check annually?	<u> </u> Yes	<u> N </u> No
Credited on customer's power bill annually?	<u> Y </u> Yes	<u> </u> No
Credited to a deposit account annually?	<u> </u> Yes	<u> N </u> No

 Handled differently (Explain)
 - 7) Are prior written notice and due process afforded to customers before termination for nonpayment?

Prior written notice?	<u> Y </u> Yes	<u> </u> No
Due process?	<u> Y </u> Yes	<u> </u> No
 - 8) Is information about policies and rates available upon request and application for service?

Upon request?	<u> Y </u> Yes	<u> </u> No
Upon application for service?	<u> Y </u> Yes	<u> </u> No
 - 9) Are the media used to inform customers about policies and rates?

Policies?	<u> Y </u> Yes	<u> </u> No
If yes, how many times during the past 12 months?	<u> 4 </u> Times	
Rates?	<u> Y </u> Yes	<u> </u> No
If yes, how many times during the past 12 months?	<u> 4 </u> Times	
 - 10) Is the most recent 12 months' prior usage available to customers upon request?
 Y Yes | No |
 - 11) The cost of a membership certificate is \$15.00

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

GENERAL INFORMATION (CONTINUED)

5. Give the name of the audit firm conducting this year's audit:
 Kem, Duguid & Associates

6. If water, gas, or other services are operated in connection with electric services, furnish the following information in connection with joint operations.

(a) Indicate the joint operations with the Electric Utility:

(b) Indicate the % of non-electric ownership of any jointly owned buildings:

(c) Percentage of building space rented to others _____ %

(d) Percentage of building space rented from others _____ %

(e) 1) Date of last joint expense study: _____

2) Joint expense study was prepared by: _____ TVA _____ Distributor _____ Other

3) Indicate the amount of the unresolved annual inequity as reflected by the TVA study:

4) Give the current status of the latest joint expense study:

GOVERNING BOARD

AMOUNT PAID*

DIRECTORS OR MEMBERS OF GOVERNING BOARD NAME AND PRINCIPAL OCCUPATION		TERM EXPIRES	AMOUNT PAID*	
			FEES	TRAVEL
BATES PAYNE, JR-BOARD MEMBER	FARMER	07/31/2013	5,500.00	4,641.54
DR GEORGE BROWN-SEC/TREAS	RETIRED VETERNARIAN	07/31/2012	5,500.00	5,272.05
DUANE MOORE-VICE CHAIRMAN	FARMER	07/31/2011	4,675.00	5,638.73
JAMES W. LEAR-CHAIRMAN	FARMER	07/31/2012	5,775.00	9,931.55
JOE ROGERS-ASST. SEC/TREAS	FARMER	07/31/2013	4,400.00	3,494.97
ROBERT K. BROADBENT-BOARD	FARMER	07/31/2011	3,575.00	4,718.98
JAMES R. RILEY-BOARD MEMBER	INSURANCE AGENT	07/31/2013	6,050.00	5,922.58
BRYSON PRICE-BOARD MEMBER	FUNERAL HOME OWNER	07/31/2011	4,675.00	3,486.39
Total			40,150.00	43,106.79

*Show total amounts paid from electric system funds for fiscal year.
 Method of determining amounts paid to board members is as follows:
 BOARD MEMBERS RECEIVE \$275.00 EACH MEETING PLUS .51 CENTS PER MILE.

BROADBENT, MOORE & PRICE'S TERM EXPIRES 07/31/2014 SINCE JULY 5, 2011 ANNUAL MEETING.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

GENERAL INFORMATION (CONTINUED)		
Detail of Account 930 - Miscellaneous General Expense		EXPENSE
TOTAL		

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED * ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

PAGE 1, ITEM 20 - LOANS WERE PAID OFF EARLY. PENALTY SET UP IN DEFERRED DEBIT TO BE EXPENSED OFF THE LIFE TO THE LOAN.

PAGE 2 - RETAINED EARNINGS FOR BEGINNING OF YEAR ARE NOT THE SAME AS THE END OF LAST YEAR'S RETAINED EARNINGS DUE TO FASB 158 ADJUSTMENT.

PAGE 3, ITEM 93 & PAGE 4, DEBT PREMIUM OR DISCOUNT - PORTION OF EARLY LOAN PAYOFF PENALTY EXPENSED THIS YEAR. WILL BE EXPENSED OVER THE LIFE OF THE LOAN.

PAGE 6

A/C 592 - INCREASE DUE TO PURCHASE OF RECLOSER CONTROLS.

A/C 593 - INCREASE DUE TO RIGHT-OF-WAY, POLE TREATMENT AND CONTRACTOR MAINTENANCE AND INCREASE IN PAYROLL/BENEFITS DUE TO OUTAGES.

PAGES 9 & 10

A/C-362 - UPGRADED BREAKER IN GREEN HILL SUBSTATION & ADDED BATTERY BACK-UP.

A/C-368 - TRANSFORMER PURCHASES MORE IN LINE WITH 2009 ICE STORM.

A/C-370 - ADDED FIBER OPTICS FOR METER READING FROM SUBSTATIONS.

A/C-389 - PURCHASED A NEW OAK GROVE PROPERTY.

A/C-390 - BUILT NEW OPERATIONS CENTER IN HOPKINSVILLE AND RAZED OLD WAREHOUSE BUILDINGS.

A/C-397 - INSTALLED SYSTEM WIDE FIBER OPTICS FOR INTERNAL COMMUNICATION USE.

PAGE 11

SALVAGE FROM SALE: A/C 362		A/C 370	160.00
A/C 364	52,188.94	A/C 371	200.34
A/C 365	125,253.44	A/C 390	817.48 (OLD FENCE)
A/C 368	42,533.13	A/C 392	121,650.00
A/C 369	31,313.36	A/C 397	- 886.50 (OLD TOWER)
		TOTAL	375,003.19

A/C 370 - ACCRUAL FOR TWAC METERS IS GAINING ON THE ORIGINAL COST OF RETIRED METERS IN F/Y '07.

A/C 390 - REMOVED OLD WAREHOUSE 4, WAREHOUSE 1, AND FENCE AT HOPKINSVILLE.

A/C 397 - RETIRED STEEL TOWER AND LIGHTENING AGUMENTATION AT HOPKINSVILLE OFFICE. RECEIVED SALVAGE FOR TOWER.

PAGES 23 & 26 - INTEREST ACCRUED - COBANK; A LOAN AGREEMENT WAS ENTERED INTO WITH FTC FOR UTILITY ENERGY SERVICE CONTRACT (UESC) FY 06. LONG TERM DEBT INTEREST AND PRINCIPAL IS BEING REPAYED TO COBANK THROUGH THIS LOAN. INTEREST JOURNAL ENTRIES ARE MADE EACH MONTH TO ACCRUE INTEREST (PAGE 2, ITEM 51) AND THEN IS BILLED TO FTC.

PAGE 26 - ITEM 90.1 - DIFFERENCE REFLECTS CREDIT FROM UESC CONTRACT APPLIED TO LTD INTEREST.

PAGE 26 - A/C 253 - POLE RENTAL: \$52,312.50; MGMNT FEE FOR FTC/UESC LOAN: \$977,460.34; TVA ECON/REEP ACCT: \$875.00; EMPLOYEE ACCT: \$859.94.

PAGE 35 - PER TVA FIELD ACCT., RATE PAGE IS NOT APPLICABLE THIS YEAR DUE TO THE RATE CHANGE AND RE-WORKING OF THE FORMAT.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

KEY PERSONNEL		
KEY PERSONNEL	TITLE OR OCCUPATIONS	PERCENTAGE OF WAGES CHARGED TO THE ELECTRIC DEPARTMENT
ESTON GLOVER	PRESIDENT/CEO	100.00
SANDRA GROGAN	VICE PRESIDENT & CFO	100.00
JOHN WHEELER	VICE PRESIDENT ENGINEERING	100.00
MICHELE SMALL	VICE PRESIDENT HUMAN RESOURCES	100.00
FREDDIE POWELL	VICE PRESIDENT OPERATIONS	100.00
JANICE SHOLAR	PLANT ACCOUNTANT	100.00
DEBORAH PRITCHETT	MANAGER SUPERVISOR CUST SERV/BILLING	100.00
MARK LINDSEY	MANAGER KEY ACCTS	100.00
VICKY PALMER	SUPERVISOR MANAGER OF CUSTOMER SERVICE	100.00
BRENT GILKEY	MANAGER OF MEMBER SERVICES	100.00
STEVE WALTERS	DISTRICT MANAGER	100.00
RICKY TURNER	DISTRICT MANAGER	100.00
MARK WILKINS	DISTRICT MANAGER	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 119		

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

RATE SCHEDULES	
EFFECTIVE DATE	
RESIDENTIAL RATE - SCHEDULE RS	
CUSTOMER CHARGE...	\$ _____ per month less \$1.71 Hydro allocation credit.
ENERGY CHARGE.....	All _____ kWh per month at _____ per kWh Additional kWh at _____ per month
GENERAL POWER RATE - SCHEDULE GSA	
PART 1.	
CUSTOMER CHARGE...	\$ _____ per delivery point per month
ENERGY CHARGE.....	All _____ kWh per month at _____ per kWh Additional kWh at _____ per month
PART 2.	
CUSTOMER CHARGE...	\$ _____ per delivery point per month
DEMAND CHARGE.....	First 50 kW of billing demand per month, no charge Excess over 50 kW of billing demand per month, at \$ _____ per kW
ENERGY CHARGE.....	All 15,000 kWh per month at _____ per kWh Additional kWh per month at _____ per kWh
PART 3.	
CUSTOMER CHARGE...	\$ _____ per delivery point per month
DEMAND CHARGE.....	First 1,000 kW of billing demand per month, at \$ _____ per kW Excess over 1,000 kW of billing demand per month, at _____ per kW, plus an additional \$ _____ per kW per month for each, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand
ENERGY CHARGE.....	All _____ kWh per month at _____ per kWh Additional kWh per month at _____ per kWh
GENERAL POWER RATE - SCHEDULE GSB	
CUSTOMER CHARGE...	\$ _____ per delivery point per month
DEMAND CHARGE.....	\$ _____ per kW of billing demand per month, plus an additional \$ _____ per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds its contract demand
ENERGY CHARGE.....	_____ per kWh for up to 620 hours use of metered demand per month _____ per kWh for all additional kWh per month
GENERAL POWER RATE - SCHEDULE GSC	
CUSTOMER CHARGE...	\$ _____ per delivery point per month
DEMAND CHARGE.....	\$ _____ per kW of billing demand per month, plus an additional \$ _____ per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds its contract demand
ENERGY CHARGE.....	_____ per kWh for up to 620 hours use of metered demand per month _____ per kWh for all additional kWh per month
GENERAL POWER RATE - SCHEDULE GSD	
CUSTOMER CHARGE...	\$ _____ per delivery point per month
DEMAND CHARGE.....	\$ _____ per kW of billing demand per month, plus an additional \$ _____ per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds its contract demand
ENERGY CHARGE.....	_____ per kWh per month
OUTDOOR LIGHTING RATE - SCHEDULE LS	
CUSTOMER CHARGE...	\$ _____
ENERGY CHARGE.....	_____ per kWh
FACILITY CHARGE.....	LS (_____)% $\frac{B}{A \text{ or } B}$

ANNUAL REPORT

Of

**PENNYRILE RURAL ELECTRIC
COOPERATIVE CORP.**

For The Year Ended June 30, 2012

To

TENNESSEE VALLEY AUTHORITY

Pennyribe Rural Electric Cooperative Corporation

Name of Organization

2000 Harrison Street Hopkinsville, KY 42241-0551

AddressTennessee Valley Authority
1101 Market Street
Chattanooga, Tennessee 37402-2801

Gentlemen:

We are transmitting herewith our annual report for the year ended June 30, 2012. The report is in agreement with the books of account, and to the best of our knowledge and belief the statements therein contained are true and correctly reflect the financial condition at June 30, 2012, and the results of our electric operations for the year ended on that date.

Our books of account have been kept in accordance with the provisions of the power contract between this organization and the Tennessee Valley Authority, and are consistent with the requirements of the Federal Energy Regulatory Commission's system of accounts.

(Signed)



SANDY GROGAN

Accountant in charge of books



ESTON GLOVER

Manager

August 15, 2012
Date transmitted

TVA Act of 1933

In fulfilling the responsibilities of the TVA Act of 1933 [16 U.S.C. #831i and 831n-4(f)], TVA requires each distributor to provide certain financial and accounting information to TVA to ensure that electric power produced by TVA is being sold at rates which are as low as feasible. This form (TVA 3957) is for that purpose.

Public reporting burden for this collection of information is estimated to vary from ten to forty hours per response, with an average of nineteen hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Agency Clearance Officer, Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Distributor Number 337

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
UTILITY PLANT				
Electric Plant	10	1	182,612,328.31	172,332,324.78
Less Depreciation	10	2	52,259,047.41	49,649,886.03
Total	10	3	130,353,280.90	122,682,438.75
Unamortized acq. adj.	13	4		
Other utility plant - net.	----	5		
Total Plant - net.	----	6	130,353,280.90	122,682,438.75
OTHER PROPERTY AND INVESTMENTS				
Nonutility property - net.	15	7		
Other investments	14	8	1,814,668.22	1,710,259.86
Sinking funds	15	9		
Depreciation funds	15	10		
Other special funds	15	12		
Total	----	13	1,814,668.22	1,710,259.86
CURRENT AND ACCRUED ASSETS				
General cash and temporary cash investments	14	14	13,765,034.47	20,491,075.59
Accounts receivable	16	15	11,874,328.11	10,955,344.79
Materials and supplies	17	16	848,725.94	799,016.04
Prepayments	17	17	247,290.93	279,944.49
Other current assets	17	18	1,929,247.16	2,047,565.08
Total	----	19	28,664,626.61	34,572,945.99
DEFERRED DEBITS				
Debt expense	17	20	1,435,202.06	1,510,409.18
Preliminary survey	----	21	169,978.59	30,088.78
Clearing accounts	----	22		
Energy Service Loans Receivables	----	24	2,444,196.10	2,355,937.73
Deferred costs on TVA Leases	17	25		
Other deferred debits	17	26	22,340,550.74	21,141,357.38
Total	----	27	26,389,927.49	25,037,793.07
TOTAL ASSETS AND OTHER DEBITS	----	28	187,222,503.22	184,003,437.67
LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER				

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BALANCE SHEET				
LIABILITIES AND OTHER CREDITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
CAPITAL				
Membership certificates	----	30	850,791.40	828,454.39
EARNINGS REINVESTED IN SYSTEM ASSETS				
Beginning of year	----	33	72,804,361.40	68,549,743.31
Current year	3	34	5,920,520.80	4,352,718.09
Total	----	35	78,724,882.20	72,902,461.40
LONG-TERM DEBT				
RUS	23	36	8,024,492.21	8,192,068.48
CFC	23	37		
CoBank	23	38	8,160,115.22	9,752,170.77
Bonds and other long-term debt	25	39.1	59,585,482.51	61,805,284.68
TVA	25	39.3		
Debt premium and discount	----	40		
Total	----	41	75,770,089.94	79,749,523.93
OTHER NON-CURRENT LIABILITIES				
Postretirement Benefits	25	39.2	1,827,000.00	1,609,900.00
Energy Service Loans - Advances	----	42	2,478,113.74	2,374,475.00
Energy Service Loans - Other	----	43	1,464,356.13	1,668,348.13
Total	----	44	5,769,469.87	5,652,723.13
CURRENT AND ACCRUED LIABILITIES				
TVA notes payable	26	45.1		
Other notes payable	26	45.2		
Accounts payable	26	46	16,649,397.89	15,902,403.14
Customer deposits	26	47	5,717,484.81	5,422,365.07
Taxes and equivalents accrued	29	48	882,801.34	837,761.48
Interest accrued - RUS	23	49		
Interest accrued - CFC	23	50		
Interest accrued -CoBank	23	51	35,112.02	41,852.40
Interest accrued -TVA	26	52.1		
Interest accrued - other	26	52.2		
Other current liabilities	26	53	1,934,950.88	1,631,667.70
Total	----	54	25,219,746.94	23,836,049.79
DEFERRED CREDITS				
Advances for construction - refundable	18	55		2,717.25
Other deferred credits	26	56	887,522.87	1,031,507.78
Total	----	57	887,522.87	1,034,225.03
TOTAL LIABILITIES AND OTHER CREDITS	---	58	187,222,503.22	184,003,437.67

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

REVENUE AND EXPENSE STATEMENT	SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
OPERATING REVENUE				
Electric sales revenue (page 7, item 332)	----	59	117,858,762.02	119,310,288.40
Revenue from late payments	----	60	689,956.51	726,428.68
Misc. service revenue	----	61	150,575.00	153,350.00
Rent from electric property	----	62	1,344,173.00	1,306,232.85
Other electric revenue	----	63	37,677.34	38,921.41
Total operating revenue	----	64	120,081,143.87	121,537,221.34
PURCHASED POWER				
Total power cost (page 7, item 342)	7	65	88,574,375.10	90,920,083.29
OPERATION EXPENSE				
Transmission expense	5	66	8,388.16	7,447.47
Distribution expense	5	67	4,696,907.84	4,509,758.42
Customer accounts expense	5	68	2,276,957.09	2,320,209.67
Customer service and informational expense	5	69	121,448.61	125,213.71
Sales expense	5	70	330,139.20	339,570.70
Administrative and general expense	6	71	2,933,122.97	2,830,325.11
Operation expense	6	72	10,366,963.87	10,132,525.08
MAINTENANCE EXPENSE				
Transmission expense	6	73		
Distribution expense	6	74	4,018,080.39	4,504,595.71
Administrative and general expense	6	75	313,817.72	261,649.38
Maintenance expense	6	76	4,331,898.11	4,766,245.09
OTHER OPERATING EXPENSE				
Depreciation expense	12	77	6,044,938.48	5,733,744.14
Amortization of acquisition adjustment	13	78		
Taxes and tax equivalents	29	79	3,216,586.89	3,239,988.54
Other operating expense	----	80	9,261,525.37	8,973,732.68
TOTAL OPERATING EXPENSE AND PURCHASED POWER	----	81	112,534,762.45	114,792,586.14
INCOME				
Operating income (item 64, less item 81)	----	82	7,546,381.42	6,744,635.20
Other income	16	83	2,097,568.46	937,435.00
Total Income	----	84	9,643,949.88	7,682,070.20
Miscellaneous income deductions	16	85	109,329.44	93,402.07
Net income before debt expense	----	86	9,534,620.44	7,588,668.13
DEBT EXPENSE				
Interest on long-term debt - RUS	23	87	513,509.20	547,122.55
Interest on long-term debt - CFC	23	88		
Interest on long-term debt - CoBank	23	89	316,714.18	419,610.33
Interest on long-term debt - other	26	90.1	2,385,344.69	1,920,761.43
Interest - TVA	26	90.2		
Other interest expense	----	92	323,324.45	304,584.91
Amortization of debt discount and expense	----	93	75,207.12	43,870.82
Amortization of premium on debt - credit	----	94		
Total debt expense	----	95	3,614,099.64	3,235,950.04
NET INCOME				
Net income before extraordinary items (item 86, less item 95)	----	96	5,920,520.80	4,352,718.09
Extraordinary items	33	97		
Net Income	2	98	5,920,520.80	4,352,718.09

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

STATEMENT OF CASH FLOWS		
Increase (Decrease) in Cash and Cash Equivalents		
	THIS YEAR	LAST YEAR
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Net Income.....	5,920,520.80	4,352,718.09
Adjustments to Reconcile Net Income to Net Cash:		
Depreciation.....	6,532,948.78	6,170,470.34
Amortization of:		
Acquisition Adjustment.....		
Additions to TVA Leases.....		
Debt Premium or Discount.....	75,207.12	43,870.82
(Gain) or Loss on Sale of Plant.....		
Changes in Current and Deferred Items:		
Accounts Receivable.....	(918,983.32)	(361,266.49)
Materials and Supplies.....	(49,709.90)	(108,177.72)
Prepayments and Other Current Assets.....	150,971.48	(189,572.22)
Deferred Debits.....	(1,339,083.17)	(304,852.86)
Accounts Payable.....	746,994.75	1,278,128.39
Customer Deposits.....	295,119.74	268,812.25
Taxes and Interest Accrued.....	38,299.48	(14,416.26)
Other Current Liabilities.....	303,283.18	(214,891.62)
Deferred Credits.....	(146,702.16)	(349,474.87)
Other.....	(98,100.00)	37,800.00
Net Cash Provided by (Used in) Operating Activities.....	11,510,766.78	10,609,147.85
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Additions to Plant.....	(13,669,165.60)	(12,600,465.31)
Removal Cost.....	(1,016,080.44)	(1,127,929.95)
Salvage.....	481,455.11	527,789.71
Net Change in Other Property and Investment.....	(104,408.36)	(133,291.46)
Energy Service Loans Receivable.....	(88,258.37)	(211,230.06)
Plant Sold (Purchased) - Noninstallment Method.....		
Deferred Costs on TVA Leases (excluding amortization).....		
Other.....		
Net Cash Provided by (Used in) Investing Activities.....	(14,396,457.66)	(13,545,127.07)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES:		
Additional Long-Term Borrowings.....	8,000,000.00	12,285,755.63
Payment of Principal on Long-Term Debt.....	(11,979,433.99)	(9,267,442.88)
Notes Payable.....		
Memberships.....	22,337.01	25,865.66
Energy Service Loans Advances.....	(100,353.26)	(105,576.25)
Receipt for Plant Sold - Installment Method.....		
Payment for Plant Purchased - Installment Method.....		
Other.....	217,100.00	114,100.00
Net Cash Provided by (Used in) Financing Activities.....	(3,840,350.24)	3,052,702.16
NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS.....	(6,726,041.12)	118,722.94
CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR.....	20,491,075.59	20,374,352.65
CASH AND TEMPORARY INVESTMENTS END OF YEAR.....	13,765,034.47	20,491,075.59

NOTE: Cash and Temporary Cash Investments include cash on hand and in demand deposits, and those investments which are generally a part of the power distributor's short-term cash management activities.

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
	OPERATING EXPENSE				
	1. TRANSMISSION				
560	Supervision and engineering.....				
561	Load dispatching.....				
562	Station expense.....	3,190.36	3,017.25		
563	Overhead line expense.....	5,197.80	4,430.22		
564	Underground line expense.....				
566	Miscellaneous.....				
567	Rents.....				
(600)	Total transmission operating expense (page 3, item 66)	8,388.16	7,447.47		
	2. DISTRIBUTION				
580	Supervision and engineering.....	74,146.19	79,473.57	42,834.82	44,498.74
581	Load dispatching.....				
582	Station expense.....	214,516.21	224,665.04	36,301.48	44,644.12
583	Overhead line expense.....	2,541,203.37	2,501,715.39	581,550.52	565,691.64
584	Underground line expense.....	182,566.12	170,036.86	5,753.43	23,253.93
585	Street lighting and signal system expense.....	60,488.33	57,337.53	21,147.19	20,495.46
586	Meter expense.....	498,817.54	474,621.75	110,811.80	112,850.17
587	Customer installation expense.....	315,841.78	257,532.42	142,517.25	112,447.25
588	Miscellaneous.....	681,275.52	629,577.55	301,181.50	267,905.44
589	Rents.....	128,052.78	114,798.31		
(605)	Total distribution operating expense (page 3, item 67)	4,696,907.84	4,509,758.42	1,242,097.99	1,191,786.75
	3. CUSTOMER ACCOUNTS EXPENSE				
901	Supervision.....	201,910.69	226,280.35	125,377.73	134,001.58
902	Meter reading expense.....	197,154.91	211,917.25	72,308.13	70,115.26
903	Customer records and collection expense.....	1,772,385.58	1,786,801.64	687,240.04	669,452.82
904	Uncollectible accounts.....	91,213.04	83,220.93		
905	Miscellaneous.....	14,292.87	11,989.50		
(610)	Total customer accounts expense (page 3, item 68)	2,276,957.09	2,320,209.67	884,925.90	873,569.66
	4. CUSTOMER SERVICES & INFORMATIONAL EXPENSE				
907	Supervision.....	16,357.18	15,449.47	9,794.80	8,993.66
908	Customer assistance expense.....	38,431.06	37,323.28	10,313.98	7,594.11
909	Informational and instructional advertising expense.....	66,660.37	70,585.96	6,558.61	6,901.78
910	Miscellaneous customer service and informational expense.....		1,855.00		
(615)	Total customer services and informational expense (page 3, item 69)	121,448.61	125,213.71	26,667.39	23,489.55
	5. SALES EXPENSE				
911	Supervision.....				
912	Demonstrating and selling expense.....	263,622.31	274,266.18	117,327.58	124,393.87
913	Advertising expense.....	23,989.89	25,427.52	5,979.49	6,412.81
916	Miscellaneous.....	42,527.00	39,877.00		
(620)	Total sales expense (page 3, item 70)	330,139.20	339,570.70	123,307.07	130,806.68

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
6. ADMINISTRATIVE & GENERAL					
920	Administrative and general salaries.....	1,268,810.12	1,215,223.49	773,017.56	707,529.89
921	Office supplies and expense.....	205,485.44	201,562.62		
922	Administrative expense transferred - credit*				
923	Outside services employed.....	60,076.95	63,869.07		
924	Property insurance.....				
925	Injuries and damages.....	349,000.64	354,771.34	88,680.47	83,253.98
926	Employee pensions and benefits.....	214,147.62	247,434.43		
927	Franchise requirements*.....				
928	Regulatory commission expense*				
929	Duplicate charges - credit.....	(34,846.91)	(34,425.76)		
930	Miscellaneous general expense.....	870,449.11	781,889.92	16,253.26	16,619.56
931	Rents.....				
(625)	Total administrative and general expense (page 3, item 71).....	2,933,122.97	2,830,325.11	877,951.29	807,403.43
(630)	Total operating expense (Page 3 item 72).....	10,356,963.87	10,132,525.08	3,154,949.64	3,027,056.07
MAINTENANCE EXPENSE					
1. TRANSMISSION					
568	Supervision and engineering.....				
569	Maintenance of structures.....				
570	Maintenance of station equipment.....				
571	Maintenance of overhead lines.....				
572	Maintenance of underground lines.....				
573	Miscellaneous.....				
(635)	Total transmission maintenance expense (page 3, item 73).....				
2. DISTRIBUTION					
590	Supervision and engineering.....	55,856.96	58,998.77	33,448.71	34,262.62
591	Maintenance of structures.....				
592	Maintenance of station equipment.....	114,937.64	166,279.66	25,483.83	36,722.08
593	Maintenance of overhead lines.....	3,656,724.38	4,093,782.56	859,093.77	1,021,037.54
594	Maintenance of underground lines.....	21,024.43	23,792.96	6,607.19	3,918.16
595	Maintenance of line transformers.....	85,593.41	108,386.31	22,575.36	20,253.66
596	Street lighting and signal systems.....	12,503.06	7,767.64	5,266.55	2,546.97
597	Maintenance of meters.....	56,600.12	27,073.26	29,967.61	13,718.87
598	Maintenance of miscellaneous distribution plant.....	14,840.39	18,514.55	7,523.08	9,494.60
(640)	Total distribution maintenance expense (page 3, item 74).....	4,018,080.39	4,504,595.71	989,956.10	1,141,954.50
3. ADMINISTRATIVE & GENERAL					
935	Maintenance of general plant (page 3, items 75).....	313,817.72	261,649.38	30,998.12	14,955.73
(645)	Total maintenance expense (page 3, item 76).....	4,331,898.11	4,766,245.09	1,020,964.22	1,156,910.23
(650)	Total operating and maintenance expense.....	14,698,861.98	14,898,770.17	4,175,913.86	4,183,966.30
(655)	Total direct and indirect payroll charged to construction and retirements.....			1,735,194.77	2,017,008.00
(660)	Payroll charged to other accounts.....			1,068,511.47	710,596.69
(662)	Fiscal year net change in accrued leave account - (increase) decrease.....			14,110.20	(13,058.49)
(665)	Total payroll distribution for year.....			6,993,730.30	6,898,502.50

*FURNISH DETAILS OF THESE ACCOUNTS ON PAGES 32 AND 33.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

STATISTICAL DATA						
CLASS OF SERVICE	ITEM NO	REVENUE		ITEM NO	KILOWATT-HOURS SOLD	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Residential.....	100	61,426,735.18	64,751,594.03	107	549,773,164	602,176,756
Gen. Power - 50 kW & under.....	101	10,108,906.27	10,065,153.60	108	75,247,987	77,425,433
Gen. Power - Over 50 kW.....	102	44,605,706.79	42,589,154.15	109	497,298,548	483,458,068
Street and athletic.....	103	510,702.19	476,068.62	110	4,211,831	3,932,806
Outdoor lighting.....	104	1,348,805.31	1,333,098.02	111	12,315,057	12,333,466
Subtotal.....	330	118,000,855.74	119,215,068.42			
Unbilled revenue*.....	331	(142,093.72)	95,219.98			
Total (page 3, Item 59).....	332	117,858,762.02	119,310,288.40	335	1,138,846,587	1,179,326,529
				113	273,478	302,506
				114	1,139,120,065	1,179,629,035
				336	21,481,050	20,940,094

STATE	SALES TAX
KY	2,492,463.61
Total	2,492,463.61

TO ABOVE CLASSES OF REVENUE

Residential.....	3,314.00
Gen. Power - 50 kW & under.....	35,284.00
Gen. Power - Over 50kW.....	1,002,757.00

GREEN POWER REVENUE

	2,644.00

PURCHASED POWER						
	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
TVA						
Purchased Power.....	115	86,883,161.39	89,199,701.58	119	1,198,832,975	1,234,282,980
Facilities Rental.....	116	1,691,213.71	1,720,381.71			
Other Charges/Credits.....	117					
Total from TVA.....	118	88,574,375.10	90,920,083.29	122	1,198,832,975	1,234,282,980
Other Purchased Power**.....	218			222		
Subtotal.....	340	88,574,375.10	90,920,083.29			
Unbilled Purchases*.....	341					
Total (page 3, item 65).....	342	88,574,375.10	90,920,083.29	345	1,198,832,975	1,234,282,980
				123	1,139,120,065	1,179,629,035
				124	59,712,910	54,653,945
				125	4.98	4.43
				346		

**Purchased other power under contract number _____ from _____

NUMBER OF CUSTOMERS			MISCELLANEOUS DATA		
CLASS OF SERVICE	MONTH OF JUNE			THIS YEAR	LAST YEAR
	THIS YEAR	LAST YEAR			
Residential..... (675)	37,717	37,660	Pole Line Miles: (2 decimal places)..... (715)	5,079.00	5,089.00
Gen. Power - 50 kW & under.... (880)	8,509	8,587	Individual Outdoor Lts..... (720)	14,353	14,272
Gen. Power - Over 50 kW..... (685)	624	583	Total investment..... (725)	5,577,539.04	5,395,919.55
Street and athletic..... (690)	149	148	O&M expense..... (730)	271,251.51	246,775.63
Outdoor Lighting - Excl. Code 77.... (693)	65	78	St. Ltg-Invest. Base.... (735)	2,100,479.82	2,014,109.86
Total..... (695)	47,064	47,056	O&M expense..... (740)	72,991.39	65,105.17
Outdoor Lighting - Code 77.... (697)	11,167	11,148	Lamps & Glassware.... (745)	1,884.35	1,774.37

*Item nos. 331, 336, 341, and 346 are to be filled in only if distributor chooses the option to estimate unbilled electric sales.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

MODIFIED STREET LIGHTING COMPUTATION				
Give computation of modified street lighting rate relative to lamps and glassware by customers, if applicable:				
TOWN	COST OF LAMPS AND GLASSWARE	KWH	ALLOWANCE	EXCESS TO BE BILLED
		FROM STAT. REPT.	KWH X .003	
ADAIRVILLE	36.51	80,678	242.03	
CADIZ	242.68	509,284	1,527.85	
APACHE HEIGHTS HOMEOWNERS		10,032	30.10	
ELKTON	394.04	458,764	1,376.29	
GUTHRIE	53.12	162,174	486.52	
HOPKINSVILLE	568.61	647,868	1,943.60	
LAFAYETTE	25.10	16,146	48.44	
LEWISBURG	55.12	125,155	375.47	
OLMSTEAD		4,224	12.67	
PEMBROKE	68.82	86,166	258.50	
TRENTON		64,945	194.84	
OAK GROVE	198.50	267,041	801.12	
RUSSELLVILLE	72.12	100,916	302.75	
KY DEPT OF HIGHWAY		626,202	1,878.61	
FT. CAMPBELL	169.73	151,764	455.29	
LATHAM RICHARD K (FAIRWAY)		11,616	34.85	
HARRIS CW JR (STONEWALL)		1,584	4.75	
TOTAL:	1,884.35	3,324,559	9,973.68	

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

		ELECTRIC PLANT					
ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
INTANGIBLE							
301	Organization						
302	Franchises and consents						
303	Miscellaneous						
(750)	Total intangible						
PRODUCTION							
755	Total production						
TRANSMISSION							
350	Land and land rights	71,983.04					71,983.04
351	Clearing land and rights of way						
352	Structures and improvements	55,160.21					55,160.21
353	Station equipment	301,491.18					301,491.18
354	Towers and fixtures						
355	Poles and fixtures	359,408.03	198,613.38	26,186.53			531,834.88
356	Overhead conductors and devices	269,961.49	6,525.34	629.00			275,857.83
357	Underground conduit						
358	Underground conductors and devices						
359	Roads and trails						
(760)	Total transmission	1,058,003.95	205,138.72	26,815.53			1,236,327.14
DISTRIBUTION							
360	Land and land rights	1,140,753.08		116.64			1,140,636.44
361	Structures and improvements						
362	Station equipment	10,439,156.60	144,354.50				10,583,511.10
363	Storage battery equipment						
364	Poles, towers, and fixtures	57,331,889.93	3,186,412.91	1,081,278.52			59,437,024.32
365	Overhead conductors and devices	21,722,351.43	1,239,642.85	192,541.91			22,769,452.37
366	Underground conduit	414.56					414.56
367	Underground conductors and devices	5,250,229.50	408,261.71	32,526.57			5,625,964.64
368	Line transformers	27,965,737.44	1,595,282.13	423,504.86			29,137,514.71
369	Services	8,918,450.41	509,311.39	101,391.00			9,326,370.80
370	Meters	11,456,487.73	405,260.57	65,670.10			11,796,078.20
371	Inst. on customers' premises	5,395,919.55	508,128.11	326,508.62			5,577,539.04
372	Leased prop. on cust. premises						
373	St. lighting and signal systems	1,958,968.70	145,366.04	57,230.94			2,047,103.80
(765)	Total distribution	151,580,358.93	8,142,020.21	2,280,769.16			157,441,609.98

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCT. NO.	GENERAL	BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
389	Land and land rights.....	846,326.01	109,365.77				955,691.78
390	Structures and improvements.....	7,419,881.97	221,199.51	14,431.51			7,626,649.97
391	Office furniture and equipment.....	2,207,444.64	100,294.76	101,574.11			2,206,165.29
392	Transportation equipment.....	5,622,511.86	1,397,006.76	831,026.10			6,188,492.52
393	Stores equipment.....	293,423.17	34,474.76				327,897.93
394	Tools, shop, and garage equip.....	628,488.57	80,617.50	4,783.14			704,322.93
395	Laboratory equipment.....	178,872.86	6,329.03				185,201.89
396	Power operated equipment.....						
397	Communication equipment.....	2,142,608.03	319,965.43	129,577.02			2,332,996.44
398	Miscellaneous equipment.....	12,509.02	2,195.49	185.50			14,519.01
399	Other tangible property.....						
(770)	Total general.....	19,352,066.13	2,271,449.01	1,081,577.38			20,541,937.76
101	Total plant in service.....	171,990,429.01	10,618,607.94	3,389,162.07			179,219,874.88
102	Electric plant purchased or sold.....						
104	Electric plant leased to others.....						
105	Electric plant for future use.....						
107	Construction work in progress.....	341,895.77	3,050,557.66				3,392,453.43
(775)	Total other electric plant.....	341,895.77	3,050,557.66				3,392,453.43
(780)	Total electric plant (page 1, item 1).....	172,332,324.78	13,669,165.60	3,389,162.07			182,612,328.31
	(Item 140)						
	RESERVES						
108	Accumulated provision for depreciation of electric plant in service.....					52,259,047.41	
109	Accumulated provision for depreciation of electric plant leased to others.....						
110	Accumulated provision for depreciation of electric plant held for future use.....						
	Total accumulated provision for depreciation (page 1, item 2 and page 11).....					52,259,047.41	
	Total electric plant, less accumulated provision for depreciation (page 1, item 3).....						130,353,280.90
<p>Reclassification Columns</p> <p>Includes major corrections to prior years additions and retirements, transfers between accounts classified in prior years, and classification of plant purchased and/or sold.</p> <p>W/P:</p> <p>\$2,452,700.93 - New Todd Logan Operations Center</p> <p>873,803.54 - Construction W.I.P.</p> <p>47,728.48 - Cadiz Whse/Pk Lot Lighting</p> <p>15,020.48 - New Communication System</p> <p>3,200.00 - Hopkinsville Heat Pump</p>							
<p>Explanations of entries shown in the Reclassification Columns:</p>							

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ORIGINAL COST	REMOVAL COST	SALVAGE	OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
							DEBIT	CREDIT		
350										
351										
352	4.00	41,164.27	2,204.16						43,368.43	79
353	4.00	225,740.75	12,047.52						237,788.27	79
354										
355	4.00	234,562.94	18,995.46	26,186.53	12,624.48	(1,683.03)			213,064.36	40
356	3.00	152,207.52	8,174.14	629.00	273.50				159,479.16	58
357										
358										
359										
(785) TOTAL		653,675.48	41,421.28	26,815.53	12,897.98	(1,683.03)			653,700.22	53
360			116.64							
361										
362	4.00	6,200,605.02	435,819.14						6,636,424.16	63
363										
364	3.25	13,390,204.29	1,902,193.94	1,081,278.52	564,478.59	118,447.72			13,765,088.84	23
365	2.50	6,347,657.07	555,392.84	192,541.91	93,172.31	90,137.05			6,707,472.74	29
366	3.00	390.00							390.00	94
367	3.00	949,340.45	160,497.77	32,526.57	19,129.93	3,481.90			1,061,663.62	19
368	3.00	10,174,390.60	855,073.13	423,504.86	63,244.78	46,815.43			10,589,529.52	36
369	4.50	2,719,858.37	411,722.02	101,391.00	50,299.07	26,594.26			3,006,484.58	32
370	3/6	1,178,049.94	680,135.39	65,670.10		100.00			1,792,615.23	15
371	8/5	1,550,249.83	439,094.16	326,508.62	170,253.28	25,105.01			1,517,687.10	27
372										
373	8.00	1,030,813.18	161,201.59	57,230.94	30,252.01	4,893.60			1,109,425.42	54
(790) TOTAL		43,541,558.75	5,601,246.62	2,280,769.16	990,829.97	315,574.97			46,186,781.21	29
389										
390	VAR	1,267,464.28	173,790.72	14,431.51	857.20	1,421.17			1,427,387.46	19
391	4/10/20	1,220,342.71	94,404.12	101,574.11		2,250.00			1,215,422.72	55
392	VAR	2,187,800.78	488,010.30	831,026.10	4,671.20	151,845.00			1,991,958.78	32
393	4.00	86,014.48	12,073.07			1,364.00			99,451.55	30
394	8.00	277,825.65	45,751.51	4,783.14		583.00			319,377.02	45
395	8.00	145,891.81	14,531.07						160,422.88	87
396										
397	3.00	298,204.24	61,266.42	129,577.02		10,100.00			239,993.64	10
398	10.00	7,243.57	453.67	185.50					7,511.74	52
399										
(795) TOTAL		5,490,787.52	890,280.88	1,081,577.38	5,528.40	167,563.17			5,461,525.79	27
(800) OTHER		(36,135.72)		6,824.09					(42,959.81)	(1)
(805) TOTALS		49,649,886.03	6,532,948.78	3,389,162.07	1,016,080.44	481,455.11			52,259,047.41	29

*Use other entries to report depreciation on property purchased, classifying accruals, unusual entries - explain on page 33.
(Item 138)

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED		
Depreciation expense (403 and 404) (page 3, item 77).....	(810)	6,044,938.48
Depreciation charged to transportation expense - clearing.....	(815)	488,010.30
Depreciation charged to building expense - clearing.....	(820)	
Depreciation charged to other accounts (list each account number).....	(825)	
.....	(830)	
.....	(835)	
.....	(840)	
Total accrual (page 11).....	(Item 128)	6,532,948.78

Explanations (continue on page 33 if necessary)

Pennyrile Rural Electric Cooperative Corporation
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ELECTRIC PLANT ACQUISITION ADJUSTMENTS (Account 114)	
DESCRIPTION	AMOUNT
Balance beginning of year	
Additions during year (as below)	
Total	
Charged to expense (Account 406) (page 3, item 78)	
Other reductions (explain below)	
Balance end of year (page 1, item 4)	

ELECTRIC PLANT PURCHASED THIS YEAR*			
			TOTAL
From whom property acquired (abbreviate)			
Date acquired			
Original cost			
Corrections to date			
Total original cost			
Depreciation reserve at acquisition			
Corrections to date			
Total depreciation reserve			
Base contract purchase price			
Net additions			
Acquisition expense			
Other (explain below)			
Total purchase cost			
Acquisition adjustment (purchase cost, less original cost, net of depreciation)			

*If the original cost and depreciation at acquisition have not been determined for plant purchased this year, report the purchase information only and complete the schedule in the year the purchased plant is classified.

EXPLANATIONS

Give the method of amortizing the acquisition adjustment and other information as required:

CLASSIFICATION OF ELECTRIC PLANT PURCHASED OR SOLD

Furnish aging of plant purchased and sold on separate worksheet

ELECTRIC PLANT PURCHASED				ELECTRIC PLANT SOLD			
ACCT. NO.	ORIGINAL COST	DEPRECIATION RESERVE	NET PLANT	ACCT. NO.	ORIGINAL COST	DEPRECIATION RESERVE	NET PLANT
Total				Total			

GAIN OR LOSS ON SALE OF ELECTRIC PLANT

Selling price	(Item 130)	
Less net plant sold (as above)		
Difference		
Less selling expense	(Item 131)	
Gain or loss on sale	(Item 129)	

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

INVESTMENTS IN ASSOCIATED COMPANIES (Report only the investments not considered as current assets)			
OTHER INVESTMENTS - GENERAL FUNDS			
Investments included in Accounts 123 and 124			
DESCRIPTION OF INVESTMENTS (GROUP BY TYPE OF INVESTMENT AND SHOW NO. OF INVESTMENTS)	BALANCE END OF YEAR	INCOME	GAIN OR (LOSS) ON SALES
Class E Stock	1,017,213.37	99,746.74	
Investment in Federated Insurance Co.	214,560.00	33,068.00	
Long-Term Investment - KAEC	5,000.00	16.39	
Investment in PenWar - 500 shares	500.00		
Investment in Southeastern Data Corp. stock	100.00		
Investment - CFC	1,000.00		
Patronage Capital Alloc - SEDC	174,681.61	44,354.69	
Patronage - United Utility Supply	291,102.46	29,940.00	
Patronage - Arkansas Electric	10,670.97		
Patronage - KAEC	88,097.49		
Patronage - Logan Telephone Coop	11,742.32	784.57	
Subtotal	1,814,668.22	207,910.39	
	(page 1, item 8)	(account 419, page 16)	
INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS			
(Investments included in Accounts 125, 126, and 128 - page 15)			
Subtotal			
	(page 15)	(account 419, page 16)	
CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS			
(Report only investments considered as current assets)			
Interest - TVA Power Invoice		.31	
Cushion of Credit - Interest Income		311,599.71	
Repurchase Agreement	13,518,070.21	181,318.14	
Interest - District Bank Account		7.40	
Interest - UESC Phases I, II, III, & IV		490,336.59	
Total Temporary Cash Investments	13,518,070.21	983,262.15	
CASH (Accounts 131 - 135)	246,964.26		
Subtotal	13,765,034.47	983,262.15	
	(page 1, item 14)	(account 419, page 16)	
Grand Total	15,579,702.69	1,191,172.54	

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	SPECIAL FUNDS			TOTAL OF ALL SPECIAL FUNDS
	ACCOUNT 125 TOTAL SINKING FUNDS	ACCOUNT 126 DEPRECIATION FUNDS	ACCOUNT 128 CONSTRUCTION FUNDS	
Cash included in fund end of year				
Investments in fund end of year (page 14)				
Balance of fund end of year (page 1)	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)	
Minimum balance required*				
Authority creating fund**				
<p>* Explain difference if fund balance is less than minimum required. ** State whether fund is required by bond contract, board action, etc.</p>				
Total Sinking				
Depreciation				
Construction				
Other				
<p>Note: Report all debt service funds as sinking funds. Report all funds for renewals and replacements as depreciation funds.</p>				
NONUTILITY PROPERTY (Account 121)				
	DESCRIPTION AND LOCATION OF PROPERTY			NET INCOME (ACCOUNT 418)
		DATE ACQUIRED	BOOK COST	
				(page 16)
<p>Total</p> <p>Less accumulated provision for depreciation (account 122)</p> <p>Total net of depreciation (page 1, item 7)</p>				

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCT. NO.	OTHER INCOME	
415	Revenue from merchandising, jobbing, etc.	783,078.65
416	Cost and expense of merchandising, etc.	(58,116.76)
417*	Income from nonutility operations - net of expense.	
418	Nonoperating rental income - net of expense (page 15).	
419	Interest and dividend income (page 14).	1,191,172.54
419.1	Interest charged to construction.	
421*	Misc. nonoperating income - net of expense.	181,434.03
(845)	Total other income (page 3, item 83).	2,097,568.46

*Explain these items briefly:

417	421	
	Surge Protectors:	\$ 3.71
	Time Warner:	8.32
	Coop Self Ins Fund	180,422.00
	Oak Grove Property-Land Rental	1,000.00

ACCT. NO.	MISCELLANEOUS INCOME DEDUCTIONS	
425*	Miscellaneous amortization.	
426*	Miscellaneous income deductions.	109,329.44
(850)	Total misc. income deductions (page 3, item 85).	109,329.44

*Explain these items briefly:

425	426	
	Community Donations -	\$84,758.06
	Counseling Committee -	\$4,662.31
	Employee Membership Dues -	\$2,511.00
	Abandoned Projects -	\$ 7,193.43
	Frankfort/Washington Youth Tour -	\$10,204.64

INVESTMENT PROCEDURES

Are investments in excess of \$100,000 secured? Yes No If yes, how?
 U.S. Treasury obligations. Securities are held by third party and we have a safekeeping receipt.

ACCT. NO.	RECEIVABLES	
141	Notes receivable (Explain on page 33).	
142	Customer accounts receivable.	10,737,842.84
143	Other accounts receivable.	1,148,985.27
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due).	
	Total.	11,886,828.11
144	Accumulated provision for uncollectible accounts.	12,500.00
	Accounts receivable net of reserve (page 1, item 15).	11,874,328.11

AGE OF RECEIVABLES AT JUNE 30

	ACCOUNT 141	ACCOUNT 142	ACCOUNT 143	ACCOUNT 146
Accounts with credit balances		173,440.22	6,079.76	
Due after June 30.		10,213,167.62	827,027.36	
From 1 to 30 days past due.		279,525.63	132,066.45	
From 31 to 60 days past due.		334,635.94	6,354.59	
From 61 to 90 days past due.		15,237.07	2,894.81	
Over 90 days past due.		68,716.80	186,721.82	
Totals (as above).		10,737,842.84	1,148,985.27	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCT. NO.	MATERIALS AND SUPPLIES	
154	Plant materials and operating supplies.....	662,005.48
155	Merchandise.....	
156	Other materials and supplies.....	171,574.14
163	Stores expense undistributed.....	15,146.32
(855)	Total materials and supplies (page 1, item 16).....	848,725.94

Give dates of physical inventories this year: 12/16/2011
Total of adjustments: \$ over, or \$ 3,738.76 short

ACCT. NO.	PREPAYMENTS - Account No. 165	
	Prepaid insurance.....	172,970.46
	Prepaid employee pension plan.....	
	Prepaid taxes (page 29).....	13,866.17
	Prepaid rents.....	
	Other prepayments.....	60,454.30
	Total prepayments (page 1, item 17).....	247,290.93

ACCT. NO.	OTHER CURRENT ASSETS	
171	Interest and dividends receivable.....	28,157.37
172	Rents receivable.....	337,502.00
173	Accrued utility revenue.....	1,563,587.79
174	Miscellaneous current and accrued assets.....	
	Total other current assets (page 1, item 18).....	1,929,247.16

ACCT. NO.	DEFERRED DEBITS	
181	Unamortized debt expense (page 1, item 20).....	1,435,202.06

Give method and period of amortization:
 AMORTIZED OVER LIFE OF LOAN

186	Deferred costs on TVA leases (page 1, item 25)	
	Additions	
	Removal Costs	
	Salvage	
	Accumulated Amortization	
	Total as above	

186	Miscellaneous deferred debits (page 1, item 26)	22,340,550.74
-----	---	---------------

List of Items:

Receivables from plant sales (item 148)	
Other items (list):	
Notes Receivable - PenWar, Inc. Customers	36,177.47
Retirement Deferred Debit	2,442,297.69
Notes Receivable - FTC - UESC	19,862,075.58
Total as above	22,340,550.74

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

CUSTOMER ADVANCES FOR CONSTRUCTION - REFUNDABLE (Account 252)					
BEGINNING BALANCE	ADDITIONS	REFUNDS	CONFISCATIONS*	ENDING BALANCE	AMOUNT MATURING NEXT YEAR
2,717.25	7,165.30	(9,882.55)		(page 2, item 55)	

*Please list the FERC account numbers and amounts credited when advances were confiscated:
 252.01

The refundable customer advances for construction policy is as follows:

Advance from mobile home required and will be refunded if mobile home becomes a permanent dwelling.

NONREFUNDABLE CONTRIBUTIONS

The nonrefundable contribution in aid of construction policy is as follows:

Show the amounts of nonrefundable contributions and the FERC account numbers credited during the fiscal year.

10720 \$692,632.70

INSURANCE

PROPERTY OR CONTINGENCY COVERED	HAZARD INSURED AGAINST	AMOUNT OF COVERAGE
Employee Injury	Worker's Compensation	1,000,000/1,000,000
Public Liability	Property Damage	2,000,000/2,000,000
Public Liability	Bodily Injury	2,000,000/2,000,000
Excess Public Liability	Catastrophes	19,000,000
Automobiles and Trucks	Property Damage & Bodily Injury	2,000,000/2,000,000
Buildings and Contents	Property Damage	43,332,855
Theft and Embezzlement	Crime	1,000,000
Directors and Officers	Personal Liability	10,000,000
Other: Earthquake	Direct Physical Loss	25,000,000
Fiduciary Limit of Liability	Fiduciary	2,000,000
Electromagnetic Field Liability	EFT	1,000,000

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200	FEDERAL FINANCING BANK - PENNYRILE 0003 0003		FEDERAL FINANCING BANK PENNYRILE 0003 0001		FEDERAL FINANCING BANK PENNYRILE 0003 0002	
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2055						
2056						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200	FEDERAL FINANCING BANK PENNYRILE 0001 0001	FEDERAL FINANCING BANK PENNYRILE 0001 0002	FEDERAL FINANCING BANK PENNYRILE 0001 0003			
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2056						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200	FEDERAL FINANCING BANK PENNYRILE 0001 0004		FEDERAL FINANCING BANK PENNYRILE 0001 0005		FEDERAL FINANCING BANK PENNYRILE 0002 0001	
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2056						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES:						
MONTH AND DAY	100	FEDERAL FINANCING BANK PENNYRILE 0002 0002		FEDERAL FINANCING BANK PENNYRILE 0002 0003		FEDERAL FINANCING BANK PENNYRILE 0002 0004
NAME OF ISSUE	200					
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2056						
OUTSTANDING END OF YEAR	300					

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE					
DETAILS REGARDING BONDS ON PAGE					
MATURITIES: MONTH AND DAY 100		0/0	0/0		
NAME OF ISSUE 200		FFB CUSHION OF CREDIT (RUS)	POST RETIREMENT BENEFITS DUE TO EMPLOYEES		
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2010					
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					
2050					
2051					
2052					
2053					
2054					
2056					
OUTSTANDING END OF YEAR 300					

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SUMMARY OF LONG-TERM DEBT - RUS											
NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YEARS)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLOTMENT (ACCOUNT 224-2)	AMOUNT REPAID THIS YEAR			OUTSTANDING END OF YEAR EXCLUDING CUSHION OF CREDIT	
							PRINCIPAL	INTEREST	DEFERRED INTEREST		
01-1B275	6/19/1995	5.00	35	01/1996	2,042,000.00		13.46	17.62		344.40	
02-1B280	10/29/1996	5.00	35	07/1998	6,626,000.00		155,497.56	254,979.36		5,007,015.01	
03-1B285	2/2/1998	5.00	35	07/1998	3,935,000.00		92,036.23	151,415.45		2,973,502.60	
04-1B286	6/22/1998	5.13	35	07/1998	2,691,000.00		62,113.31	107,096.77		2,052,626.20	
05-											
06-											
07-											
08-											
09-											
10-											
11-											
12-											
13-											
14-											
15-											
16-											
17-											
18-											
19-											
20-											
21-											
22-											
23-											
24-											
25-											
26-											
27-											
28-											
29-											
30-											
31-											
32-											
33-											
34-											
35-											
36-											
37-											
38-											
39-											
40-											
(860) Total					15,294,000.00		309,660.56	513,509.20		10,033,488.21	
List Note Numbers Paid Monthly:					1B275	1B280	1B285	1B286			

*EXCLUDING CUSHION OF CREDIT

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE NUMBER	DATE OF NOTE	INT. RATE	CFC OR COBANK	TERM OF NOTE (YRS)	AMOUNT OF LOAN APPROVED	UNADVANCED LOAN	AMT PAID THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-1679742	10/31/2003	4.90	COBANK	13	6,081,760.08		588,933.01	87,000.01	1,432,395.78		
02-105638	9/1/2005	5.38	COBANK	10	9,171,343.00		862,196.47	281,761.95	4,717,233.93		
03-2427406	7/19/2010	4.44	COBANK	18	2,285,755.63		140,926.07	94,572.85	2,010,485.51		
04-											
05-											
06-											
07-											
08-											
09-											
10-											
11-											
12-											
13-											
14-											
15-											
16-											
17-											
18-											
19-											
20-											
21-											
22-											
23-											
24-											
25-											
26-											
27-											
28-											
29-											
30-											
31-											
32-											
33-											
34-											
35-											
36-											
37-											
38-											
39-											
40-											
(865) Total					17,538,858.71		1,592,055.55	463,334.81	8,160,115.22		

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

LONG-TERM DEBT - RUS		
ACCT.	PRINCIPAL DATA	AMOUNT
224.1	Long-term debt - RUS	10,033,488.21
224.2	Unadvanced RUS allotment - debit (page 21)	
224.3	Deferred interest - RUS	
224.4	Long-term debt - RUS - matured and deferred	
224.5	Cushion of credit - RUS - debit	(2,008,996.00)
Net balance due RUS as above (page 2, item 36)		8,024,492.21
Total additions to RUS long-term debt this year. (Item 132)		
Repayments for the year excluding advance payments. (Item 143)		309,660.56
INTEREST ACCRUED - RUS (Account 237.1)		
		AMOUNT
Balance beginning of year (matured \$.00)		
Accrued during year (Account 427.1) (page 3, item 87) (page 26 summary)		513,509.20
Repayments this year		513,509.20
Balance end of year (matured \$.00) (page 2, item 49)(page 26 summary)		
LONG-TERM DEBT - CFC		
ACCT.	PRINCIPAL DATA	AMOUNT
223.1	Subscriptions to CFC capital term certificates - debit	
223.2	Unpaid subscriptions to CFC capital term certificates - credit	
223.4	CFC loan approved - unadvanced - debit (page 22)	
223.5	Long-term debt - CFC credit	
223.61	Patronage capital certificates - debit	
223.62	Deferred patronage dividends - credit	
Net CFC account (account 223) (page 2, item 37)		
Total additions to CFC long-term debt this year. (Item 135)		
Repayments for the year excluding advance payments. (Item 144)		
INTEREST ACCRUED - CFC (Account 237.2)		
		AMOUNT
Balance beginning of year (matured \$.00)		
Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary)		
Repayments this year		
Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary)		
LONG-TERM DEBT - COBANK		
ACCT.	PRINCIPAL DATA	AMOUNT
229.10	Long Term Debt - CoBank - credit	8,160,115.22
229.20	Unadvanced allotment - CoBank - debit	
229.30	Subscription to class "C" stock - CoBank - debit	
229.40	Unpaid subscription to class "C" stock - CoBank - credit	
229.50	Allocated earnings receivable - CoBank - debit	
229.51	Allocated earnings deferred - CoBank - credit	
Net CoBank account (account 229) (page 2, item 38)		8,160,115.22
Amount received on allotment this year. (Item 136)		
Repayments this year. (Item 145)		1,592,055.55
INTEREST ACCRUED - COBANK (Account 237.6)		
		AMOUNT
Balance beginning of year (matured \$.00)		(2,320,174.66)
Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary)		316,714.18
Repayments this year		463,334.81
Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary)		(2,696,509.46)

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0001
 Date of issue: 04/22/1999 Amount of original issue: \$ 3,500,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....	2,939,084.50	Accrued beginning of year.....	
Issued during year.....		Accrued during year (427.3).....	165,701.74
Total.....	2,939,084.50	Total.....	165,701.74
Bonds retired this year.....	71,322.38	Payments during year.....	165,701.74
Balance end of year.....	2,867,762.12	Balance end of Year.....	
Including matured of (239).....		Including matured of (240).....	
Balance less matured (221).....	2,867,762.12	Balance less matured (237.3).....	

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0002
 Date of issue: 11/04/1999 Amount of original issue: \$ 4,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....	3,418,599.78	Accrued beginning of year.....	
Issued during year.....		Accrued during year (427.3).....	215,624.49
Total.....	3,418,599.78	Total.....	215,624.49
Bonds retired this year.....	76,174.99	Payments during year.....	215,624.49
Balance end of year.....	3,342,424.79	Balance end of Year.....	
Including matured of (239).....		Including matured of (240).....	
Balance less matured (221).....	3,342,424.79	Balance less matured (237.3).....	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0003
 Date of issue: 11/01/2000 Amount of original Issue: \$ 6,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	5,079,943.89	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	301,869.63
Total	5,079,943.89	Total	301,869.63
Bonds retired this year	118,609.17	Payments during year	301,869.63
Balance end of year	4,961,334.72	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	4,961,334.72	Balance less matured (237.3)	

Name of issue: POST RETIREMENT BENEFITS DUE TO EMPLOYEES
 Date of issue: _____ Amount of original Issue: \$ _____
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	1,609,900.00	Accrued beginning of year	
Issued during year	353,155.32	Accrued during year (427.3)	
Total	1,963,055.32	Total	
Bonds retired this year	136,055.32	Payments during year	
Balance end of year	1,827,000.00	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	1,827,000.00	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0004
 Date of issue: 05/23/2002 Amount of original issue: \$ 6,000,000.00
 Cash realized: \$ 6,000,000.00 Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	4,809,633.13	Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	207,211.18
Total.	4,809,633.13	Total.	207,211.18
Bonds retired this year.	137,540.50	Payments during year.	207,211.18
Balance end of year.	4,672,092.63	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	4,672,092.63	Balance less matured (237.3).	

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0005
 Date of issue: 03/31/2003 Amount of original issue: \$ 5,533,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	4,552,893.40	Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	196,150.19
Total.	4,552,893.40	Total.	196,150.19
Bonds retired this year.	130,198.53	Payments during year.	196,150.19
Balance end of year.	4,422,694.87	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	4,422,694.87	Balance less matured (237.3).	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0002 0001
 Date of Issue: 07/01/2005 Amount of original issue: \$ 6,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	5,423,574.16	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	232,215.81
Total	5,423,574.16	Total	232,215.81
Bonds retired this year	113,364.20	Payments during year	232,215.81
Balance end of year	5,310,209.96	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	5,310,209.96	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0002 0002
 Date of Issue: 02/09/2006 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	7,342,515.41	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	351,052.46
Total	7,342,515.41	Total	351,052.46
Bonds retired this year	141,979.02	Payments during year	351,052.46
Balance end of year	7,200,536.39	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	7,200,536.39	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0002 0003
 Date of issue: 03/26/2007 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	7,464,149.48	Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	366,400.07
Total.	7,464,149.48	Total.	366,400.07
Bonds retired this year.	141,451.46	Payments during year.	366,400.07
Balance end of year.	7,322,698.02	Balance end of Year.	
Including matured of (239)		Including matured of (240).	
Balance less matured (221).	7,322,698.02	Balance less matured (237.3).	

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0002 0004
 Date of issue: 08/13/2007 Amount of original issue: \$ 3,462,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	3,258,431.75	Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	167,127.52
Total.	3,258,431.75	Total.	167,127.52
Bonds retired this year.	59,625.90	Payments during year.	167,127.52
Balance end of year.	3,198,805.85	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	3,198,805.85	Balance less matured (237.3).	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0003 0001
 Date of Issue: 02/06/2009 Amount of original Issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	7,834,652.89	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	269,408.81
Total	7,834,652.89	Total	269,408.81
Bonds retired this year	142,049.72	Payments during year	269,408.81
Balance end of year	7,692,603.17	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	7,692,603.17	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0003 0002
 Date of Issue: 07/29/2010 Amount of original Issue: \$ 10,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	9,697,914.66	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	15,360.69
Total	9,697,914.66	Total	15,360.69
Bonds retired this year	306,246.75	Payments during year	15,360.69
Balance end of year	9,391,667.91	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	9,391,667.91	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK - PENNYRILE 0003 0003
 Date of issue: 10/07/2011 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized If different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.		Accrued beginning of year.	
Issued during year.	8,000,000.00	Accrued during year (427.3).	163,473.75
Total.	8,000,000.00	Total.	163,473.75
Bonds retired this year.	84,309.19	Payments during year.	163,473.75
Balance end of year.	7,915,690.81	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	7,915,690.81	Balance less matured (237.3).	

Name of issue: FFB CUSHION OF CREDIT (RUS)
 Date of issue: _____ Amount of original issue: \$ 8,713,038.73
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized If different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.		Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	
Total.		Total.	
Bonds retired this year.	8,713,038.73	Payments during year.	
Balance end of year.	(8,713,038.73)	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	(8,713,038.73)	Balance less matured (237.3).	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: _____
 Date of Issue: _____ Amount of original issue: \$ _____
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: _____ Issued or assumed
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

 Conditions under which bonds may be called: _____

 If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year		Accrued beginning of year	
Issued during year		Accrued during year (427.3)	
Total		Total	
Bonds retired this year		Payments during year	
Balance end of year		Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)		Balance less matured (237.3)	

SUMMARY OF LONG-TERM DEBT - BONDS (Account 221) AND OTHER (Account 228)

	ACCOUNT 221	OTHER* ACCOUNT 228	TOTAL*	POST- RETIREMENT BENEFITS ACCOUNT 228	TVA ACCOUNT 228
Balance beginning of year		61,821,393.05	61,821,393.05	1,609,900.00	
Issued during year (Item 137)		8,000,000.00	8,000,000.00	353,155.32	
Total		69,821,393.05	69,821,393.05	1,963,055.32	
Bonds retired this year (Item 146)		10,235,910.54	10,235,910.54	136,055.32	
Balance end of year		59,585,482.51	59,585,482.51	1,827,000.00	
Including matured of (239) (Item 147)					
Balance less matured (221)		59,585,482.51	59,585,482.51	1,827,000.00	

(page 2, item 39.1) (page 2, item 39.2) (page 2, item 39.3)

SUMMARY OF INTEREST ACCRUED - LONG-TERM DEBT (Account 237)

	TOTAL
Accrued beginning of year	
Accrued during year (427.3) (page 26)	2,651,596.34
Total	2,651,596.34
Payments during year	2,651,596.34
Balance end of year	
Including matured of (240)	
Balance less matured (237.3) (page 26)	

*Less TVA Long-term Debt and Postretirement Benefits

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTES PAYABLE (Account 231)										
PRINCIPAL DATA						INTEREST ACCRUED				
Balance beginning of year.						Accrued beginning of year.				
New notes issued during year.						Accrued during year (as below).				
Total.						Total.				
Notes retired this year.						Payments during year.				
Balance end of year.						Balance end of year (as below).				
Portion of balance TVA (page 2, item 45.1).										
Portion of balance non-TVA (page 2, item 45.2).										
CUSTOMER DEPOSITS (Account 235)										
Balance accrued interest on customer deposits end of year.										150,418.13
Balance customer deposits end of year (Account 235).										5,567,066.68
Total customer deposits (page 2, item 47).										5,717,484.81
SUMMARY OF ACCRUED INTEREST AND INTEREST EXPENSE										
ACCT. NO.	DESCRIPTION	FROM PAGE NO.	REPORT ON BALANCE SHEET AS INDICATED BELOW			ACCRUED END OF YEAR	REPORT ON REVENUE AND EXPENSE STATEMENT AS INDICATED BELOW			
			ACCT. NO.	PAGE NO.	ITEM NO.		ACCT. NO.	PAGE NO.	ITEM NO.	EXPENSE FOR YEAR
221	Bonds	25	237.3	2	52.2		427.3	3	90.1	
223	CFC	23	237.2	2	50		427.2	3	88	
224	RUS	23	237.1	2	49		427.1	3	87	513,509.20
229	CoBank	23	237.6	2	51	(2,696,509.46)	427.4	3	89	316,714.18
228	TVA long term	25	237.3	2	52.1		427.3	3	90.2	
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	2,651,596.34
231	TVA Notes Payable	Above	237.5	2	52.1		431	3	90.2	
231	Other notes payable	Above	237.5	2	52.2		431	3	92	
235	Customer Deposits	Above	235	Above	---		431	3	92	323,324.45
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year.						(2,696,509.46)	Net expense for year.		3,805,144.17	
Total item 49 (page 2)							Total item 87 (page 3)		513,509.20	
Total item 50 (page 2)							Total item 88 (page 3)			
Total item 51 (page 2)						(2,696,509.46)	Total item 89 (page 3)		316,714.18	
Total item 52.1 (page 2)							Total item 90.1 (page 3)		2,651,596.34	
Total item 52.2 (page 2)							Total item 90.2 (page 3)			
							Total item 92 (page 3)		323,324.45	
ACCOUNTS PAYABLE										
232	Accounts payable - general (includes \$15,652,728.40 to TVA for purchased power and Fac.Rental).									16,649,397.89
232	Accrued purchased power.									
233	Accounts payable - spec. const.									
234	Payable to municipal - utility revenue.									
234	Other payables to municipality.									
Total accounts payable - general (page 2, item 46).										16,649,397.89
OTHER CURRENT AND ACCRUED LIABILITIES										
239	Matured long-term debt (pages 23, 24, and 25).									
240	Matured interest (pages 23, 24, and 25).									
241	Tax collections payable.									252,899.21
242	Miscellaneous - accrued insurance.									
242	Miscellaneous - employees' accrued leave.									429,838.99
242	Miscellaneous - other.									1,252,212.68
Total other current and accrued liabilities (page 2, item 53).										1,934,950.88
OTHER DEFERRED CREDITS (Account 253)										
Payables for plant purchases; (item 149)										887,522.87
Other items (List): See page 33.										
Total other deferred credits (page 2, item 56)										887,522.87
Total other deferred credits (page 2, item 56)										887,522.87

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

TO WHOM PAID		PAYMENTS OF AD VALOREM TAXES OR TAX EQUIVALENTS		TO WHOM PAID		PERIOD COVERED		AMOUNT	
States (list):				Cities (list):					
KY	1/1/2011	12/31/2011	434,282.03	TRENTON	1/1/2011	12/31/2011	662.13		
KY	1/1/2012	12/31/2012	8,811.10	ELKTON	1/1/2011	12/31/2011	5,290.22		
				ELKTON	1/1/2012	12/31/2012	1,307.44		
				CADIZ	1/1/2011	12/31/2011	9,207.89		
				CADIZ	1/1/2012	12/31/2012	1,135.58		
				RUSSELLVILLE	1/1/2011	12/31/2011	4,192.28		
				RUSSELLVILLE	1/1/2012	12/31/2012	752.60		
				LEWISBURG	1/1/2011	12/31/2011	1,405.31		
				PEMBROKE	1/1/2011	12/31/2011	375.83		
				GUTHRIE	1/1/2011	12/31/2011	1,935.86		
				HOPKINSVILLE	1/1/2011	12/31/2011	23,450.33		
				HOPKINSVILLE	1/1/2012	12/31/2012	1,884.99		
				ADAIRVILLE	1/1/2011	12/31/2011	895.67		
				OAK GROVE	1/1/2011	12/31/2011	2,358.23		
Total states.....			443,093.13	Total cities.....			54,854.36		
Counties (list):									
TRIGG	1/1/2011	12/31/2011	126,160.52						
TRIGG	1/1/2012	12/31/2012	2,964.66						
LOGAN	1/1/2011	12/31/2011	137,641.26						
LOGAN	1/1/2012	12/31/2012	2,407.38						
CALDWELL	1/1/2011	12/31/2011	19,337.43						
SIMPSON	1/1/2011	12/31/2011	374.99						
BUTLER	1/1/2011	12/31/2011	11,175.90						
MUHLENBERG	1/1/2011	12/31/2011	47,132.70						
TODD	1/1/2011	12/31/2011	92,228.97						
TODD	1/1/2012	12/31/2012	3,121.50						
CHRISTIAN	1/1/2011	12/31/2011	237,881.50						
LYON	1/1/2011	12/31/2011	23,507.98						
CHRISTIAN	1/1/2012	12/31/2012	5,347.11						
Total counties.....			709,281.90	Total paid.....			1,207,229.39		

If all the tax equivalent is paid to a city and the city makes redistribution payments to states or counties, show these redistribution payments above and mark them with an *.
Also give method of determining amounts redistributed.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT							
<input checked="" type="checkbox"/> TAX, OR <input type="checkbox"/> TAX EQUIVALENT		TN. EQUALIZATION RATIO	STATE ASSESSMENT RATIO	TAX ASSESSMENT OR VALUATION	RATE PER \$100	TAX OR EQUIVALENT FOR TAX PERIOD	AMOUNT APPLICABLE FOR FISCAL YEAR
PERIOD	DISTRICT						
1/1/2011 12/31/2011	STATE OF KENTUCKY			114,324,300.00	.3799		434,282.03
1/1/2011 12/31/2011	TRENTON			133,494.00	.4960		662.13
1/1/2011 12/31/2011	ELKTON			1,527,725.00	.3463		5,290.22
1/1/2011 12/31/2011	CADIZ			3,196,533.00	.2881		9,207.89
1/1/2011 12/31/2011	RUSSELLVILLE			1,353,447.00	.3097		4,192.28
1/1/2011 12/31/2011	LEWISBURG			268,286.00	.5350		1,405.31
1/1/2011 12/31/2011	PEMBROKE			215,993.00	.1740		375.83
1/1/2011 12/31/2011	GUTHRIE			438,970.00	.4500		1,935.86
1/1/2011 12/31/2011	HOPKINSVILLE			9,670,521.00	.2425		23,450.33
1/1/2011 12/31/2011	ADAIRVILLE			232,558.00	.3930		895.67
1/1/2011 12/31/2011	OAK GROVE			1,267,864.00	.1860		2,358.23
1/1/2011 12/31/2011	TRIGG COUNTY			16,576,719.00	.7611		126,160.52
1/1/2011 12/31/2011	LOGAN COUNTY			16,968,670.00	.8111		137,641.26
1/1/2011 12/31/2011	CALDWELL COUNTY			2,925,039.00	.6611		19,337.43
1/1/2011 12/31/2011	SIMPSON COUNTY			49,956.00	.7506		374.99
1/1/2011 12/31/2011	BUTLER COUNTY			1,394,547.00	.8014		11,175.90
1/1/2011 12/31/2011	MUHLENBERG COUNTY			6,295,922.00	.7486		47,132.70
1/1/2011 12/31/2011	TODD COUNTY			14,131,513.00	.6526		92,228.97
1/1/2011 12/31/2011	CHRISTIAN COUNTY			35,001,952.00	.6796		237,881.50
1/1/2011 12/31/2011	LYON COUNTY			2,703,931.00	.8694		23,507.98
1/1/2012 12/31/2012	CHRISTIAN COUNTY			751,002.00	.7120		5,347.11
1/1/2012 12/31/2012	LOGAN COUNTY			342,093.00	.7037		2,407.38
1/1/2012 12/31/2012	TODD COUNTY			431,498.00	.7234		3,121.50
1/1/2012 12/31/2012	TRIGG COUNTY			433,427.00	.6840		2,964.66
1/1/2012 12/31/2012	STATE OF KENTUCKY			1,958,020.00	.4500		8,811.10
1/1/2012 12/31/2012	HOPKINSVILLE			751,002.00	.2510		1,884.99
1/1/2012 12/31/2012	RUSSELLVILLE			342,093.00	.2200		752.60
1/1/2012 12/31/2012	ELKTON			431,498.00	.3030		1,307.44
1/1/2012 12/31/2012	CADIZ			433,427.00	.2620		1,135.58
	TOTAL PAID						1,207,229.39

Where more than one tax period is applicable to the current fiscal year, show beginning and ending dates of each tax period. Compute tax or tax equivalent for each tax period and show amount prorated to this fiscal year. For tax equivalents show all the components of the tax base and applicable tax equivalent by taxing districts. When tax equivalent payments are determined other than by applying applicable tax rates to net plant, describe basis, explain any change from previous period, and include data showing breakdown of net plant by taxing districts and applicable tax rates. Use extra sheets if needed.

REPORT FOR FISCAL YEAR ENDED JUNE 30, 2012

PENNYRILE RURAL ELECTRIC COOPERATIVE CORPORATION
BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY
TAX OR TAX EQUIVALENT X TAX OR EQUIVALENT

Page 28A

TAX PERIOD JAN 1, 2011 TO DEC. 31, 2011	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD FY	APPLICABLE FOR FISCAL YEAR
STATE OF KENTUCKY				
Real Estate	7,727,718	0.00122	\$9,427.82	
Tangible Property	88,319,782	0.00450	397,439.02	
Mfg. Machinery	18,276,800	0.00150	27,415.20	
			=====	
Total				\$434,282.03
CITIES				
Trenton	133,494	0.00496	\$662.13	
Elkton				
Real Estate	199,000	0.00248	\$493.52	
Tangible Property	1,328,725	0.00361	4,796.70	
			=====	
Total				\$5,290.22
Cadiz				
Real Estate	1,594,200	0.002650	\$4,224.63	
Personal	1,602,333	0.003110	4,983.26	
			=====	
Total				\$9,207.89
Russellville				
Real Estate	236,500	0.002550	591.02	
Personal	1,116,947	0.003290	3,601.26	
			=====	
Total				\$4,192.28
Lewisburg	268,286	0.00535	\$1,405.31	
Pembroke	215,993	0.00174	\$375.83	
Guthrie	438,970	0.0045	\$1,935.86	
Hopkinsville				
Real Estate	4,915,695	0.00244	\$11,994.30	
Personal	4,754,826	0.00251	11,934.61	
			=====	
				\$23,450.33
Adairville	232,558	0.003930	\$895.67	
Oak Grove	1,267,864	0.00186	\$2,358.23	

TAX PERIOD JAN 1, 2011 TO DEC. 31, 2011	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD FY	APPLICABLE FOR FISCAL YEAR
COUNTIES				
Trigg				
R. E. County	1,798,902	0.000800		\$1,439.12
R. E. School	14,777,817	0.004740		70,046.85
T. P. County	14,777,817	0.001143		16,891.04
T. P. School	1,798,902	0.004740		8,526.80
T. P. Health	14,777,817	0.001278		18,886.05
T. P. Library	14,777,817	0.000563		8,319.91
R. E. Health	1,798,902	0.000800		1,439.12
R. E. Library	1,798,902	0.000340		611.63
				=====
Total				\$126,160.52
Logan				
R. E. County	469,424	0.001300		\$610.25
Health	469,424	0.000200		93.88
Library	469,424	0.000860		403.70
Extension	469,424	0.000440		206.55
Soil Conservation	469,424	0.000141		66.19
Common School	232,924	0.003770		878.12
Graded School	236,500	0.007660		1,811.59
Big Muddy	236,500	0.001000		236.50
Mud River	232,924	0.000135		31.44
T. P. County	16,499,246	0.002100		34,648.42
Health	16,499,246	0.000200		3,299.85
Library	16,499,246	0.001065		17,571.70
Extension	16,499,246	0.000681		11,235.99
Common School	15,382,299	0.003770		57,991.27
Graded School	1,116,947	0.007660		8,555.81
				=====
Total				\$137,641.26
Caldwell - Stan Hudson				
T. P. County	2,925,039	0.00115		\$3,363.79
T. P. School	2,925,039	0.00352		10,296.14
T. P. Extension	2,925,039	0.000426		1,246.07
Library - Tangible	2,925,039	0.00062		1,798.90
Hospital - Tangible	2,925,039	0.00055		1,608.77
Health - Tangible	2,925,039	0.00035		1,023.76
				=====
Total				\$19,337.43
Simpson- Chris Cline				
T.P. County	49,956	0.002		79.43
T.P. School	49,956	0.004547		227.16
Library	49,956	0.000778		38.86
Extension	49,956	0.000201		10.05
Ambulance	49,956	0.000390		19.49
				=====
Total				\$374.99

TAX PERIOD JAN 1, 2011 TO DEC. 31, 2011	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD FY	APPLICABLE FOR FISCAL YEAR
Butler				
County	1,394,547	0.000850		\$1,185.36
School	1,394,547	0.003770		5,257.44
Health	1,394,547	0.000225		313.77
Ambulance	1,394,547	0.000900		1,255.09
Library	1,394,547	0.001389		1,937.03
Extension	1,394,547	0.000880		1,227.20
				=====
Total				\$11,175.90
Muhlenberg				
R E School	137,184	0.004970		\$681.80
T P School	6,158,738	0.004970		30,608.93
R E Library	137,184	0.000780		107.00
T P Library	6,158,738	0.001090		6,713.02
R E Franchise	137,184	0.001020		139.93
T. P. Franchise	6,158,736	0.000980		6,035.56
R E Health	137,184	0.000180		24.69
T. P Health	6,158,738	0.000180		1,108.57
R E Extension	137,184	0.000180		24.69
T P Extension	6,158,738	0.000181		1,114.73
R. E Cons. Dist	137,184	0.000052		7.13
R. E. Airport	137,184	0.000090		12.35
T. P. Airport	6,158,738	0.000090		554.28
				=====
Total				\$47,132.70
Todd - Joey Johnson				
T P County	13,881,337	0.001070		\$14,853.03
T P School	13,881,337	0.003740		51,916.20
T. P. Library	13,881,337	0.000726		10,077.85
T P Health	13,881,337	0.000430		5,968.97
T. P Extension	13,881,337	0.000570		7,912.36
R E County	250,176	0.000990		247.67
R E School	250,176	0.003740		935.66
R E Library	250,176	0.000400		100.07
R E Extension	250,176	0.000338		84.56
R E Soil Conservation	250,176	0.000100		25.02
R. E Health	250,176	0.000430		107.58
				=====
Total				\$92,228.97
Christian				
T. P County	29,929,920	0.00260		\$77,817.79
T P School	29,929,920	0.00379		113,434.40
T P Extension Service	29,929,920	0.000351		10,505.40
T. P. Health	29,929,920	0.00018		5,387.39
R E County	5,072,032	0.00181		9,180.38
R. E. School	5,072,032	0.00379		19,223.00
R E Health	5,072,032	0.00018		912.97
R E. Ext. Service	5,072,032	0.000240		1,217.29
R E Soil Conservation	5,072,032	0.00004		202.88
				=====
Total				\$237,881.50

TAX PERIOD JAN 1, 2011 TO DEC. 31, 2011	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD F/Y	APPLICABLE FOR FISCAL YEAR
Lyon				
T. P. County	2,703,931	0.002220	\$6,002.73	
T. P. School	2,703,931	0.004140	11,194.27	
Library	2,703,931	0.000590	1,595.32	
Ambulance	2,703,931	0.000690	1,865.71	
Health	2,703,931	0.000230	621.90	
Extension Service	2,703,931	0.000824	2,228.04	
			=====	
Total			\$23,507.98	
			\$1,179,497.03	\$589,748.51
			=====	
Estimated Tax Liability C/Y 2012		State	\$434,282.03	
		Cities	49,773.75	
		Counties	695,441.25	
			=====	
			\$1,179,497.03	\$589,748.51
			=====	
Underaccrual F/Y '2011		State	\$64,911.05	
		Cities	7,635.76	
		Counties	135,649.89	
			=====	
			\$208,196.71	\$208,196.71
Total Tax Expense F/Y 2012				\$1,387,693.73
				=====

PENNYRILE RURAL ELECTRIC COOPERATIVE CORPORATION
BASIS FOR COMPUTATION OF PREPAID AD VALOREM PROPERTY TAX
TAX OR TAX EQUIVALENT X TAX OR EQUIVALENT

Page 28E

Tax Period Jan. 1 2011 to Dec. 31, 2011	Tax Assessment of Valuation	Rate	Tax or Equivalent For Tax Period	Amount Applicable For FY '12
Counties				
=====				
Christian				
=====				
State	876,647	0.0045	3,944.93	1,972.47
City-Hopkinsville	876,647	0.00251	2,200.38	1,100.19
County	876,647	0.00116	1,016.91	508.46
School	876,647	0.00566	4,961.78	2,480.89
Extension	876,647	0.00012	105.23	52.61
Health	876,647	0.00018	157.79	78.89
TOTAL COUNTY			6,241.71	3,120.85
Logan				
=====				
State	260,440	0.0045	1,171.99	586.00
City-Russellville	260,440	0.0022	572.99	286.49
County	260,440	0.00106	276.06	138.03
Health	260,440	0.000200	52.11	26.05
Extension	260,440	0.000157	40.88	20.44
Independent School	260,440	0.00539	1,403.78	701.89
Library	260,440	0.00023	59.89	29.95
TOTAL COUNTY			1,832.72	916.36
Todd				
=====				
State	390,459	0.00450	1,757.08	878.54
City-Elkton	390,459	0.00303	1,183.09	591.55
County	390,459	0.00101	394.35	197.18
School	390,459	0.00524	2,046.01	1,023.00
Health	390,459	0.00033	128.84	64.42
Extension	390,459	0.00030	118.70	59.35
Library	390,459	0.00025	97.61	48.81
TOTAL COUNTY			2,785.51	1,392.76
Trigg				
=====				
State	318,546	0.00450	1,433.47	716.73
City-Cadiz	318,546	0.00262	834.62	417.31
County	318,546	0.00096	305.79	152.90
School	318,546	0.00459	1,462.13	731.06
Health/Amb.	318,546	0.00094	299.43	149.71
Library	318,546	0.00035	111.48	55.74
TOTAL COUNTY			2,178.83	1,089.41
			=====	=====
			\$26,137.32	\$13,068.66

PENNYRILE RURAL ELECTRIC COOPERATIVE CORPORATION
BASIS FOR COMPUTATION OF PREPAID AD VALOREM PROPERTY TAX
TAX OR TAX EQUIVALENT X TAX OR EQUIVALENT

Page 28F

Tax Period Jan. 1 2012 to Dec. 31, 2012	Tax Assessment of Valuation	Rate	Tax or Equivalent For Tax Period	Amount Applicable For FY '13
Counties				
=====				
Christian				
=====				
State	751,002	0.0045	3,379.50	1,689.75
City-Hopkinsville	751,002	0.00251	1,884.99	942.49
County	751,002	0.00116	871.17	435.59
School	751,002	0.00566	4,250.65	2,125.33
Extension	751,002	0.00012	90.12	45.06
Health	751,002	0.00018	135.17	67.59
TOTAL COUNTY			5,347.11	2,673.57
Logan				
=====				
State	342,093	0.0045	1,539.42	769.71
City-Russellville	342,093	0.0022	752.60	376.30
County	342,093	0.00106	362.65	181.32
Health	342,093	0.000200	68.42	34.21
Extension	342,093	0.000157	53.73	26.86
Independent School	342,093	0.00539	1,843.88	921.94
Library	342,093	0.00023	78.70	39.35
TOTAL COUNTY			2,407.38	1,203.68
Todd				
=====				
State	431,498	0.00450	1,941.75	970.88
City-Elkton	431,498	0.00303	1,307.44	653.72
County	431,498	0.00101	435.80	217.90
School	431,498	0.00524	2,281.05	1,130.52
Health	431,498	0.00043	185.54	92.77
Extension	431,498	0.00030	131.19	65.59
Library	431,498	0.00025	107.91	53.96
TOTAL COUNTY			3,121.50	1,560.74
Trigg				
=====				
State	433,427	0.00450	1,950.43	975.22
City-Cadiz	433,427	0.00262	1,135.58	567.79
County	433,427	0.00096	416.09	208.04
School	433,427	0.00459	1,989.43	994.71
Health/Amb.	433,427	0.00094	407.41	203.71
Library	433,427	0.00035	151.73	75.86
TOTAL COUNTY			2,964.66	1,482.32
			=====	=====
			\$27,732.36	\$13,866.17
Amount carried from Page 28E				\$13,068.66
				=====
				\$26,934.83

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

PREPAID TAXES

Do not report any taxes listed in schedule of Account 236 below as prepaid - if prepaid show debit balance in Account 236.

TAXING JURISDICTION	% OF GROSS REVENUE	BALANCE BEGINNING OF YEAR	PAYMENTS	PERIOD COVERED		ACCT. NO.	WRITEOFF AMOUNT	BALANCE END OF YEAR
				01/01/2012	12/31/2012			
TRIGG		1,089.42	2,964.66	01/01/2012	12/31/2012	408.1	2,571.76	1,482.32
LOGAN		916.36	2,407.38	01/01/2012	12/31/2012	408.1	2,120.06	1,203.68
TODD		1,392.75	3,121.50	01/01/2012	12/31/2012	408.1	2,953.51	1,560.74
CHRISTIAN		3,120.86	5,347.11	01/01/2012	12/31/2012	408.1	5,794.40	2,673.57
ELKTON		591.54	1,307.44	01/01/2012	12/31/2012	408.1	1,245.26	653.72
CADIZ		417.31	1,135.58	01/01/2012	12/31/2012	408.1	985.10	567.79
RUSSELLVILLE		286.50	752.60	01/01/2012	12/31/2012	408.1	662.80	376.30
HOPKINSVILLE		1,100.19	1,884.99	01/01/2012	12/31/2012	408.1	2,042.69	942.49
KY		4,153.73	8,811.10	01/01/2012	12/31/2012	408.1	8,559.27	4,405.56
Total		13,068.66	27,732.36				26,934.85	13,866.17

(Add below)

(Page 17)

ACCRUED TAXES (Account 236)

ACCT. NO.	KIND OF TAX	BALANCE BEG. OF YEAR	PAYMENTS	TAX EXPENSE (ACCOUNT 408)	TRANSFERRED	BALANCE END OF YEAR
408.1	Property	549,706.58	1,179,497.03		1,219,538.96	589,748.51
408.2	U.S. Social Security - unemployment	110.53	10,301.93		10,452.55	261.15
408.3	U.S. Social Security - FICA		410,583.31		410,583.31	
408.4	State Social Security - unemployment		11,442.86		11,442.86	
408.5	Gross receipts - state					
408.6	Income - state					
408.7	Other: (list below)					
408.7	Oak Grove Franchise Tax		240,773.00		240,773.00	
408.7	Reallocation of Prepaid Vehicle Taxes			(26,934.85)	26,934.85	
408.7	School Tax	287,944.37	3,211,739.58	3,216,586.89		292,791.68
	Total	837,761.48	5,064,337.71	3,189,652.04	1,919,725.53	882,801.34
(885)	Tax expense from the writeoff of prepaid privilege taxes (as above)			26,934.85		
(890)	Total tax expense for the year (page 3, item 79)			3,216,586.89		

Social Security and Federal and State unemployment taxes paid should be reported under payments, and the portion not charged to tax expense should be reported as "Transferred"

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

GENERAL INFORMATION

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)
 Board of Directors and General Manager

2. In the case of a Power Board (or Utilities Board), list any other departments of the city over which it exercises control.

3. (a) Give the statutes under which the electric system was created.
 KENTUCKY REVISED STATUTES, CHAPTER 279

- (b) Give the statutes under which the electric system is currently operating if different from the above.

4. (a) Are customers' accounts billed by an outside organization? N
 If so, give name. If not, give the type in-house hardware. HP 9000

- (b) At June 30:
 - 1) What percentage is added to customer bills for late payments? 5.00 %
 - 2) How many days are allowed between date of bill and last day before gross billing applies? 15 days
 - 3) Is an "Even Monthly Payment" (budget billing) plan available for electric consumers? Y Yes No
 - 4) Amount of security deposit required for residential service:

Owner with Electric Heat	\$125.00
Owner without Electric Heat	\$125.00
Tenant with Electric Heat	\$200.00
Tenant without Electric Heat	\$200.00
Other (describe)	

- 5) Are there any customer deposits that qualify (deposits exceeding 1 month's average bill and held longer than 6 months) for the payment of interest under the service practice standard entitled Deposit? If yes, what rate of interest is paid?

Class	Yes/No	Interest Rate
Residential	Y	6.00 %
C & I Part A	Y	6.00 %
C & I Part B	Y	6.00 %

- 6) Is interest on deposits:

Refunded by check annually?	<u> </u> Yes	<u> N </u> No
Credited on customer's power bill annually?	<u> Y </u> Yes	<u> </u> No
Credited to a deposit account annually?	<u> </u> Yes	<u> N </u> No

 Handled differently (Explain)

- 7) Are prior written notice and due process afforded to customers before termination for nonpayment?

Prior written notice?	<u> Y </u> Yes	<u> </u> No
Due process?	<u> Y </u> Yes	<u> </u> No

- 8) Is information about policies and rates available upon request and application for service?

Upon request?	<u> Y </u> Yes	<u> </u> No
Upon application for service?	<u> Y </u> Yes	<u> </u> No

- 9) Are the media used to inform customers about policies and rates?

Policies?	<u> Y </u> Yes	<u> </u> No
If yes, how many times during the past 12 months?	<u> 12 </u> Times	
Rates?	<u> Y </u> Yes	<u> </u> No
If yes, how many times during the past 12 months?	<u> 12 </u> Times	

- 10) Is the most recent 12 months' prior usage available to customers upon request?

11) The cost of a membership certificate is \$15.00

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

GENERAL INFORMATION (CONTINUED)

5. Give the name of the audit firm conducting this year's audit:
 Kem, Duguid & Associates

6. If water, gas, or other services are operated in connection with electric services, furnish the following information in connection with joint operations.

(a) Indicate the joint operations with the Electric Utility:

(b) Indicate the % of non-electric ownership of any jointly owned buildings:

(c) Percentage of building space rented to others _____ %

(d) Percentage of building space rented from others _____ %

(e) 1) Date of last joint expense study: _____

2) Joint expense study was prepared by: _____ TVA _____ Distributor _____ Other

3) Indicate the amount of the unresolved annual inequity as reflected by the TVA study:

4) Give the current status of the latest joint expense study:

GOVERNING BOARD

AMOUNT PAID*

DIRECTORS OR MEMBERS OF GOVERNING BOARD NAME AND PRINCIPAL OCCUPATION		TERM EXPIRES	AMOUNT PAID*	
			FEES	TRAVEL
BATES PAYNE, JR-BOARD MEMBER	FARMER	07/31/2013	18,575.00	5,537.20
DR GEORGE BROWN-SEC/TREAS	RETIRED VETERNARIAN	07/31/2012	18,300.00	9,063.56
DUANE MOORE-CHAIRMAN	FARMER	07/31/2014	18,850.00	7,067.49
JAMES W. LEAR-BOARD MEMBER	RETIRED FARMER	07/31/2012	21,050.00	13,197.76
JOE ROGERS-ASST. SEC/TREAS	FARMER	07/31/2013	19,950.00	7,480.05
ROBERT K. BROADBENT-BOARD	FARMER - DECEASED	07/31/2011	275.00	566.84
JAMES R. RILEY-BOARD MEMBER	INSURANCE AGENT	07/31/2013	18,025.00	4,647.22
BRYSON PRICE-VICE CHAIRMAN	FUNERAL HOME OWNER	07/31/2014	18,850.00	9,704.87
JAMES FUTRELL - BOARD MEMBER	SELF-EMPLOYED	07/31/2014	25,225.00	14,727.31
Total.....			159,100.00	71,992.30

*Show total amounts paid from electric system funds for fiscal year.

Method of determining amounts paid to board members is as follows:

BOARD MEMBERS RECEIVE \$275.00 EACH MEETING PLUS .555 CENTS PER MILE.

DR BROWN AND LEAR'S TERM EXPIRES 07/31/2015 SINCE JULY 3, 2012 ANNUAL MEETING.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

GENERAL INFORMATION (CONTINUED)	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
FEES - BOARD OF DIRECTORS	159,100.00
CONVENTION/TRAVEL/MEETINGS - BOARD OF DIRECTORS	71,992.30
INSURANCE	11,664.08
ANNUAL MEETING	38,707.71
KENTUCKY LIVING	203,883.58
PROPERTY TAX & INSURANCE	50,321.86
RURAL ELECTRIC RESOURCES	2,100.00
CUSTOMER COOP.COM CARDS	12,520.26
HOPKINSVILLE CHAMBER OF COMMERCE	2,374.36
KENTUCKY CHAMBER OF COMMERCE	596.70
UTILITIES TELE COUNCIL	2,800.80
LBL	100.00
VOLUNTEER FIRE DEPARTMENTS	60.00
CHRISTIAN COUNTY AGRI-BUS ASSN	125.00
LOGAN COUNTY CHAMBER OF COMMERCE	789.20
TVA POWER DISTRIBUTORS	750.00
TVPPA	13,251.94
KENTUCKY COUNCIL OF COOPS	300.00
HOMEBUILDERS OF HOPKINSVILLE	200.00
HOPKINSVILLE-CHRISTIAN COUNTY BOARD OF REALTORS	125.00
LOGAN COUNTY HOMEBUILDERS	350.00
CHRISTIAN CO FARM BUREAU	50.00
TOUCHSTONE ENERGY	22,000.00
NRECA	49,682.03
KAEC	111,550.05
CHRISTIAN COUNTY FARMER	100.00
ADAIRVILLE CHAMBER OF COMMERCE	35.00
ADVERTISING - PROMOTIONAL	57,615.82
ADVERTISING	30,378.53
PRECC BOARD MEETING EXPENSES	26,924.89
TOTAL	870,449.11

GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED * ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

PG 1 ITEM 14 - CASH DECREASE DUE TO FUNDING SEVERAL PROJECTS INCLUDING DAYSVILLE OPERATIONS CENTER, NEW RADIO SYSTEM, AND FIBER.

PG 1 ITEM 21 - PRELIMINARY SURVEY INCREASE DUE TO SOLAR PANEL PROJECT AND PLANNING OF SALEM CHURCH SUBSTATION.

PG 2 ITEM 55 - NO LONGER COLLECT REFUND OR CONFISCATE CONSTRUCTION COSTS (ACCT 252).

PG 2 - RETAINED EARNINGS FOR BEGINNING OF YEAR ARE NOT THE SAME AS THE END OF LAST YEAR'S RETAINED EARNINGS DUE TO FASB 158 ADJUSTMENT.

PG 3 ITEMS 83 & 90.1 - OTHER INCOME INCREASE DUE TO RECOMMENDATION OF RUS TO RECORD INTEREST EXPENSE AND INTEREST EARNED FROM FORT CAMPBELL (FTC) UESC LOANS SEPARATELY RATHER THAN A NET BASIS AND RECEIPT OF COOP SELF INS FUND FROM PRIOR YEARS.

PG 3 ITEM 89 - TWO LOANS WERE REFINANCED IN FY 2011; THEREFORE DECREASING INTEREST COSTS FOR FY 2012.

PG 3 ITEM 93 - FY2012 HAD FULL YEAR OF LOAN REFINANCING PENALTY.

PG 4 OTHER OPERATING ACTIVITIES-FASB158 ADJ; OTHER FINANCING ACTIVITIES-FASB106 ADJ.

PG 5 ACCT 587 - INCREASE DUE TO LABOR FOR THEFT ON CUSTOMER PREMISES.

PG 5 ACCT 910 - THERE WEREN'T ANY PURCHASES OF ELECTRICAL CODING BOOKS THIS FISCAL YEAR.

PG 6 ACCT 592 - DECREASE DUE TO FEWER PURCHASES OF RECLOSERS.

PG 6 ACCT 595 - DECREASE DUE TO LESS MAINTENANCE EXPENSE.

PG 6 ACCT 596 - INCREASE IN MAINTENANCE WORK TO STREET LIGHTS.

PG 6 ACCT 597-INCREASE IN LABOR FOR METER MAINTENANCE THAT WAS PREVIOUSLY OUTSIDE CONTRACTOR WORK.

PG 7 ITEM 730 IS GREATER THAN ACCTS 587 & 598 DUE TO OTHER EXPENSES ON CUSTOMERS PREMISES IN ACCT 587.

PG 7 ITEM 735 IS GREATER THAN ACCT 373 DUE TO SPECIAL EQ ITEMS THAT ARE INVESTMENTS BUT IN ACCTS 368 & 370.

PGS 9 & 10 - A/C 355 & 356 - UPGRADED AND EXTENDED TRANSMISSION LINE TO SERVE NEW ADDITION TO PLYMOUTH TUBE

A/C 362 - INCREASE DUE TO INSTALLING ADDITIONAL BREAKERS & EQUIPMENT IN HAPPY HOLLOW SUBSTATION.

A/C 370 - ADDED MORE FIBER OPTICS FOR METER READING FROM SUBSTATIONS; 7 NEW OUTBOUND UNITS FOR TWACS.

A/C 389 - PURCHASED PROPERTY FOR NEW DAYSVILLE OPERATIONS CENTER.

A/C 390 - MISCELLANEOUS FINAL COST FOR HOPKINSVILLE OPERATIONS CENTER BUILT LAST FY. ALSO REPLACED A HEAT/COOL UNIT AT HOPKINSVILLE OFFICE AND ADDED A SECURITY SYSTEM AT CADIZ.

A/C 391 - REPLACED 4 TRIMBLES, AND SEVERAL LAPTOPS.

A/C 393 - PURCHASED 3 WAREHOUSE FLOOR SCRUBBERS.

A/C 394 - PURCHASED A TRAILER AND SPECIAL TOOLS FOR FIBER OPTIC APPLICATION.

A/C 397 - UPGRADING RADIO SYSTEMS.

PG 11-SALVAGE FROM SALE:	A/C 362	0.00	A/C 390	160.00 (OLD FENCE)
	A/C 364	32,161.63	A/C 391	2,250.00 (4 OLD TRIMBLES)
	A/C 365	77,182.88	A/C 392	50,345.00
	A/C 368	32,038.65	A/C 393	1,364.00 (OLD WHSE SELV)
	A/C 369	19,296.97	A/C 394	583.00 (OLD MOWER)
			TOTAL	215,382.13

PG 16 ACCT 143 BAL +90 DAYS INCLUDES BILLING OF TVA DRU PROJECT WHICH HAS NOT BEEN COLLECTED.

PG 17 OTHER PREPAYMENTS INCLUDE SALES TAX, TVA POWER INVOICE, AND DUES FOR KAEC, NRECA, TOUCHSTONE AND ALMOST NASHVILLE/LEAD.

PGS 23 & 26 - INTEREST ACCRUED - COBANK; A LOAN AGREEMENT WAS ENTERED INTO WITH FTC FOR UTILITY ENERGY SERVICE CONTRACT (UESC) FY 06. LONG TERM DEBT INTEREST AND PRINCIPAL IS BEING REPAYED TO COBANK THROUGH THIS LOAN. INTEREST JOURNAL ENTRIES ARE MADE EACH MONTH TO ACCRUE INTEREST (PAGE 2, ITEM 51) AND THEN IS BILLED TO FTC.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED * ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

PG 26 - POLE RENTAL: \$56,492; MGMNT FEE FOR FTC/UESC LOAN: \$829,332.34; TVA ECON/REEP ACCT: \$875.00; EMPLOYEE ACCT: \$823.53.

PG 26 ITEM 90.1 - DIFFERENCE REFLECTS CREDIT FROM UESC CONTRACT APPLIED TO LTD INTEREST (SEE EXPLANATION FOR PAGE 3 ITEMS 83 & 90.1).

PG 29 KY TAXES ARE PAID ON A CALENDAR YEAR BASIS SO PAYMENTS AND ACCRUALS NEVER MATCH.

PG 3 ITEM 29 & PG 29: THE DISTRIBUTOR FOLLOWS FUNCTIONAL ACCOUNTING PROCEDURES BY ALLOCATING TAX EXPENSE TO THE INDIVIDUAL EXPENSE ACCOUNTS BASED ON THE PLANT INVESTMENT IN ACCTS 352 THRU 373 ON THEIR PLANT RECORDS. THE TRANSFER COLUMN ON PAGE 29 OF THE AR REFLECTS THIS PORCESS AND THEREFORE DOESN'T SHOW ANY TAX EXPENSES ON THE INCOME STATEMENT.

ECONOMIC DEVELOPMENT- FY12 EXPENSES WENT TO ACCT 916 WERE \$42,527 FOR TOUCHSTONE, KAEC AND LOCAL ECONOMIC DEVELOPMENT DUES.

LOC-PRECC HAS AMENDMENT TO PROMISSORY NOTE WITH COBANK SIMILIAR TO REVOLVING CREDIT WITH RENEWAL OPTIONS.

CUSTOMER DEPOSITS- OWNER \$125; TENANT \$200

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

KEY PERSONNEL		
KEY PERSONNEL	TITLE OR OCCUPATIONS	PERCENTAGE OF WAGES CHARGED TO THE ELECTRIC DEPARTMENT
ESTON GLOVER	PRESIDENT/CEO	100.00
SANDRA GROGAN	VICE PRESIDENT & CFO	100.00
JOHN WHEELER	VICE PRESIDENT ENGINEERING	100.00
MICHELE SMALL	VICE PRESIDENT HUMAN RESOURCES	100.00
FREDDIE POWELL	VICE PRESIDENT OPERATIONS	100.00
JANICE SHOLAR	PLANT ACCOUNTANT	100.00
DEBORAH PRITCHETT	MANAGER OF CUSTOMER ACCOUNTS AND SERVICE	100.00
BARNEY BISHOP	MANAGER KEY ACCTS	100.00
BRENT GILKEY	MANAGER OF MEMBER SERVICES	100.00
STEVE WALTERS	DISTRICT MANAGER	100.00
RICKY TURNER	DISTRICT MANAGER	100.00
MARK WILKINS	DISTRICT MANAGER	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 116		

ANNUAL REPORT

Of

**PENNYRILE RURAL ELECTRIC
COOPERATIVE CORP.**

For The Year Ended June 30, 2013

To

TENNESSEE VALLEY AUTHORITY

Pennyrile Rural Electric Cooperative Corporation

Name of Organization

2000 Harrison Street Hopkinsville, KY 42241-0551

Address

Tennessee Valley Authority
1101 Market Street
Chattanooga, Tennessee 37402-2801

Gentlemen:

We are transmitting herewith our annual report for the year ended June 30, 2013. The report is in agreement with the books of account, and to the best of our knowledge and belief the statements therein contained are true and correctly reflect the financial condition at June 30, 2013, and the results of our electric operations for the year ended on that date.

Our books of account have been kept in accordance with the provisions of the power contract between this organization and the Tennessee Valley Authority, and are consistent with the requirements of the Federal Energy Regulatory Commission's system of accounts.

(Signed)


SANDY GROGAN

Accountant in charge of books


ESTON GLOVER

Manager

8/14/13
Date transmitted

TVA Act of 1933

In fulfilling the responsibilities of the TVA Act of 1933 [16 U.S.C. #831i and 831n-4(f)], TVA requires each distributor to provide certain financial and accounting information to TVA to ensure that electric power produced by TVA is being sold at rates which are as low as feasible. This form (TVA 3957) is for that purpose.

Public reporting burden for this collection of information is estimated to vary from ten to forty hours per response, with an average of nineteen hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Agency Clearance Officer, Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
UTILITY PLANT				
Electric Plant.....	10	1	190,246,207.08	182,612,328.31
Less Depreciation.....	10	2	54,979,623.59	52,259,047.41
Total	10	3	135,266,583.49	130,353,280.90
Unamortized acq. adj.....	13	4		
Other utility plant - net.....	----	5		
Total Plant - net	----	6	135,266,583.49	130,353,280.90
OTHER PROPERTY AND INVESTMENTS				
Nonutility property - net.....	15	7		
Other investments.....	14	8	1,893,495.30	1,814,668.22
Sinking funds.....	15	9		
Depreciation funds.....	15	10		
Other special funds.....	15	12		
Total	----	13	1,893,495.30	1,814,668.22
CURRENT AND ACCRUED ASSETS				
General cash and temporary cash investments.....	14	14	19,272,821.05	13,765,034.47
Accounts receivable.....	16	15	11,576,759.05	11,874,328.11
Materials and supplies.....	17	16	647,970.70	848,725.94
Prepayments.....	17	17	182,953.78	247,290.93
Other current assets.....	17	18	1,972,131.93	1,929,247.16
Total	----	19	33,652,636.51	28,664,626.61
DEFERRED DEBITS				
Debt expense.....	17	20	1,359,994.94	1,435,202.06
Preliminary survey.....	----	21	7,014.95	169,978.59
Clearing accounts.....	----	22		
Energy Service Loans Receivables.....	----	24	2,293,230.13	2,444,196.10
Deferred costs on TVA Leases.....	17	25		
Other deferred debits.....	17	26	24,283,272.16	22,340,550.74
Total	----	27	27,943,512.18	26,389,927.49
TOTAL ASSETS AND OTHER DEBITS	----	28	198,756,227.48	187,222,503.22

LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BALANCE SHEET				
LIABILITIES AND OTHER CREDITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
CAPITAL				
Membership certificates	---	30	869,106.42	850,791.40
EARNINGS REINVESTED IN SYSTEM ASSETS				
Beginning of year	----	33	78,614,782.20	72,804,361.40
Current year	3	34	6,427,873.31	5,920,520.80
Total	----	35	85,042,655.51	78,724,882.20
LONG-TERM DEBT				
RUS	23	36	8,520,650.08	8,024,492.21
CFC	23	37		
CoBank	23	38	6,550,447.02	8,160,115.22
Bonds and other long-term debt	25	39.1	66,777,439.37	59,585,482.51
TVA	25	39.3		
Debt premium and discount	----	40		
Total	----	41	81,848,536.47	75,770,089.94
OTHER NON-CURRENT LIABILITIES				
Postretirement Benefits	25	39.2	2,053,600.00	1,827,000.00
Energy Service Loans - Advances	----	42	2,311,887.20	2,478,113.74
Energy Service Loans - Other	----	43	1,619,867.10	1,464,356.13
Total	----	44	5,985,354.30	5,769,469.87
CURRENT AND ACCRUED LIABILITIES				
TVA notes payable	26	45.1		
Other notes payable	26	45.2		
Accounts payable	26	46	15,254,663.82	16,649,397.89
Customer deposits	26	47	5,721,823.75	5,717,484.81
Taxes and equivalents accrued	29	48	907,176.48	882,801.34
Interest accrued - RUS	23	49		
Interest accrued - CFC	23	50		
Interest accrued - CoBank	23	51	28,274.51	35,112.02
Interest accrued - TVA	26	52.1		
Interest accrued - other	26	52.2		
Other current liabilities	26	53	2,031,469.20	1,934,950.88
Total	----	54	23,943,407.76	25,219,746.94
DEFERRED CREDITS				
Advances for construction - refundable	18	55		
Other deferred credits	26	56	1,067,167.02	887,522.87
Total	----	57	1,067,167.02	887,522.87
TOTAL LIABILITIES AND OTHER CREDITS	----	58	198,756,227.48	187,222,503.22

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

REVENUE AND EXPENSE STATEMENT	SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
OPERATING REVENUE				
Electric sales revenue (page 7, item 332)	----	59	120,533,805.52	117,858,762.02
Revenue from late payments	----	60	730,171.73	689,956.51
Misc. service revenue	----	61	151,260.00	150,575.00
Rent from electric property	----	62	1,327,627.25	1,344,173.00
Other electric revenue	----	63	38,407.62	37,677.34
Total operating revenue	----	64	122,781,272.12	120,081,143.87
PURCHASED POWER				
Total power cost (page 7, item 342)	7	65	89,964,787.39	88,574,375.10
OPERATION EXPENSE				
Transmission expense	5	66	9,257.16	8,388.16
Distribution expense	5	67	4,735,233.97	4,696,907.84
Customer accounts expense	5	68	2,327,080.13	2,276,957.09
Customer service and informational expense	5	69	170,048.66	121,448.61
Sales expense	5	70	314,811.43	330,139.20
Administrative and general expense	6	71	2,935,560.05	2,933,122.97
Operation expense	6	72	10,491,991.40	10,366,963.87
MAINTENANCE EXPENSE				
Transmission expense	6	73		
Distribution expense	6	74	4,516,298.86	4,018,080.39
Administrative and general expense	6	75	283,158.75	313,817.72
Maintenance expense	6	76	4,799,457.61	4,331,898.11
OTHER OPERATING EXPENSE				
Depreciation expense	12	77	6,337,145.92	6,044,938.48
Amortization of acquisition adjustment	13	78		
Taxes and tax equivalents	29	79	3,268,432.74	3,216,586.89
Other operating expense	----	80	9,605,578.66	9,261,525.37
TOTAL OPERATING EXPENSE AND PURCHASED POWER	----	81	114,861,815.06	112,534,762.45
INCOME				
Operating income (item 64, less item 81)	----	82	7,919,457.06	7,546,381.42
Other income	16	83	2,471,036.81	2,097,568.46
Total income	----	84	10,390,493.87	9,643,949.88
Miscellaneous income deductions	16	85	152,995.82	109,329.44
Net income before debt expense	----	86	10,237,498.05	9,534,620.44
DEBT EXPENSE				
Interest on long-term debt - RUS	23	87	496,157.87	513,509.20
Interest on long-term debt - CFC	23	88		
Interest on long-term debt - CoBank	23	89	380,935.67	316,714.18
Interest on long-term debt - other	26	90.1	2,639,226.56	2,385,344.69
Interest - TVA	26	90.2		
Other interest expense	----	92	218,097.52	323,324.45
Amortization of debt discount and expense	----	93	75,207.12	75,207.12
Amortization of premium on debt - credit	----	94		
Total debt expense	----	95	3,809,624.74	3,614,099.64
NET INCOME				
Net income before extraordinary items (item 86, less item 95)	----	96	6,427,873.31	5,920,520.80
Extraordinary items	33	97		
Net Income	2	98	6,427,873.31	5,920,520.80

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

STATEMENT OF CASH FLOWS

Increase (Decrease) in Cash and Cash Equivalents

	THIS YEAR	LAST YEAR
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Net Income	6,427,873.31	5,920,520.80
Adjustments to Reconcile Net Income to Net Cash:		
Depreciation	6,879,484.77	6,532,948.78
Amortization of:		
Acquisition Adjustment		
Additions to TVA Leases		
Debt Premium or Discount	75,207.12	75,207.12
(Gain) or Loss on Sale of Plant	(71,986.37)	
Changes in Current and Deferred Items:		
Accounts Receivable	297,569.06	(918,983.32)
Materials and Supplies	200,755.24	(49,709.90)
Prepayments and Other Current Assets	21,452.38	150,971.48
Deferred Debits	(1,779,757.78)	(1,339,083.17)
Accounts Payable	(1,394,734.07)	746,994.75
Customer Deposits	4,338.94	295,119.74
Taxes and Interest Accrued	17,537.63	38,299.48
Other Current Liabilities	96,518.32	303,283.18
Deferred Credits	179,644.15	(146,702.18)
Other:	(110,100.00)	(98,100.00)
Net Cash Provided by (Used in) Operating Activities	10,843,802.70	11,510,766.78
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Additions to Plant	(11,324,548.89)	(13,669,165.60)
Removal Cost	(1,085,981.20)	(1,016,080.44)
Salvage	578,451.10	481,455.11
Net Change in Other Property and Investment	(78,827.08)	(104,408.36)
Energy Service Loans Receivable	150,965.97	(88,258.37)
Plant Sold (Purchased) - Noninstallment Method	111,278.00	
Deferred Costs on TVA Leases (excluding amortization)		
Other:		
Net Cash Provided by (Used in) Investing Activities	(11,648,662.10)	(14,396,457.66)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Additional Long-Term Borrowings	5,000,000.00	8,000,000.00
Payment of Principal on Long-Term Debt	1,078,446.53	(11,979,433.99)
Notes Payable		
Memberships	18,315.02	22,337.01
Energy Service Loans Advances	(10,715.57)	(100,353.26)
Receipt for Plant Sold - Installment Method		
Payment for Plant Purchased - Installment Method		
Other:	226,600.00	217,100.00
Net Cash Provided by (Used in) Financing Activities	6,312,645.98	(3,840,350.24)
NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS ..	5,507,786.58	(6,726,041.12)
CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR	13,765,034.47	20,491,075.59
CASH AND TEMPORARY INVESTMENTS END OF YEAR	19,272,821.05	13,765,034.47

NOTE: Cash and Temporary Cash Investments include cash on hand and in demand deposits, and those investments which are generally a part of the power distributor's short-term cash management activities.

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
	OPERATING EXPENSE				
	1. TRANSMISSION				
560	Supervision and engineering.....				
561	Load dispatching.....				
562	Station expense.....	3,178.35	3,190.36		
563	Overhead line expense.....	6,078.81	5,197.80		
564	Underground line expense.....				
566	Miscellaneous.....				
567	Rents.....				
(600)	Total transmission operating expense (page 3, item 66).	9,257.16	8,388.16		
	2. DISTRIBUTION				
580	Supervision and engineering.....	102,900.72	74,146.19	61,906.33	42,834.82
581	Load dispatching.....	445.08			
582	Station expense.....	236,315.60	214,516.21	43,295.39	36,301.48
583	Overhead line expense.....	2,480,588.49	2,541,203.37	580,500.66	581,550.52
584	Underground line expense.....	170,480.12	182,566.12	4,790.34	5,753.43
585	Street lighting and signal system expense.....	67,891.04	60,488.33	24,886.11	21,147.19
586	Meter expense.....	481,460.58	498,817.54	35,016.48	110,811.80
587	Customer installation expense.....	326,721.81	315,841.78	148,886.02	142,517.25
588	Miscellaneous.....	686,621.97	681,275.52	318,595.86	301,181.50
589	Rents.....	181,808.56	128,052.78		
(605)	Total distribution operating expense (page 3, item 67).	4,735,233.97	4,696,907.84	1,217,877.19	1,242,097.99
	3. CUSTOMER ACCOUNTS EXPENSE				
901	Supervision.....	177,781.59	201,910.69	110,666.47	125,377.73
902	Meter reading expense.....	227,456.17	197,154.91	73,724.45	72,308.13
903	Customer records and collection expense.....	1,837,175.39	1,772,385.58	733,176.63	687,240.04
904	Uncollectible accounts.....	65,294.67	91,213.04		
905	Miscellaneous.....	19,372.31	14,292.87		
(610)	Total customer accounts expense (page 3, item 68).	2,327,080.13	2,276,957.09	917,567.55	884,925.90
	4. CUSTOMER SERVICES & INFORMATIONAL EXPENSE				
907	Supervision.....	19,594.83	16,357.18	12,031.92	9,794.80
908	Customer assistance expense.....	78,753.70	38,431.06	14,942.05	10,313.98
909	Informational and instructional advertising expense.....	71,775.13	66,660.37	8,340.55	6,558.61
910	Miscellaneous customer service and informational expense.....	(75.00)			
(615)	Total customer services and informational expense (page 3, item 69).	170,048.66	121,448.61	35,314.52	26,667.39
	5. SALES EXPENSE				
911	Supervision.....				
912	Demonstrating and selling expense.....	287,088.23	263,622.31	135,536.69	117,327.58
913	Advertising expense.....	27,723.20	23,989.89	7,785.54	5,979.49
916	Miscellaneous.....		42,527.00		
(620)	Total sales expense (page 3, item 70).	314,811.43	330,139.20	143,322.23	123,307.07

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
6. ADMINISTRATIVE & GENERAL					
920	Administrative and general salaries.....	1,213,514.20	1,268,810.12	756,141.20	773,017.56
921	Office supplies and expense.....	209,040.87	205,485.44		
922	Administrative expense transferred - credit*				
923	Outside services employed.....	75,343.48	60,076.95		
924	Property insurance.....				
925	Injuries and damages.....	352,697.74	349,000.64	95,777.08	88,680.47
926	Employee pensions and benefits.....	230,824.59	214,147.62		
927	Franchise requirements*.....				
928	Regulatory commission expense*				
929	Duplicate charges - credit.....	(42,295.61)	(34,846.91)		
930	Miscellaneous general expense.....	896,434.78	870,449.11	41,294.79	16,253.26
931	Rents.....				
(625)	Total administrative and general expense (page 3, item 71).....	2,935,560.05	2,933,122.97	893,213.07	877,951.29
(630)	Total operating expense (Page 3 Item 72).....	10,491,991.40	10,366,963.87	3,207,294.56	3,154,949.64
MAINTENANCE EXPENSE					
1. TRANSMISSION					
568	Supervision and engineering.....				
569	Maintenance of structures.....				
570	Maintenance of station equipment.....				
571	Maintenance of overhead lines.....				
572	Maintenance of underground lines.....				
573	Miscellaneous.....				
(635)	Total transmission maintenance expense (page 3, item 73).....				
2. DISTRIBUTION					
590	Supervision and engineering.....	83,585.20	55,856.96	51,289.79	33,448.71
591	Maintenance of structures.....				
592	Maintenance of station equipment.....	169,695.19	114,937.64	48,171.81	25,463.83
593	Maintenance of overhead lines.....	4,018,056.24	3,656,724.38	864,515.04	859,093.77
594	Maintenance of underground lines.....	23,943.90	21,024.43	8,434.71	6,607.19
595	Maintenance of line transformers.....	101,044.91	85,593.41	28,029.28	22,575.36
596	Street lighting and signal systems.....	4,628.94	12,503.06	2,225.60	5,266.55
597	Maintenance of meters.....	100,492.86	56,600.12	50,090.68	29,967.61
598	Maintenance of miscellaneous distribution plant.....	14,851.62	14,840.39	7,895.04	7,523.08
(640)	Total distribution maintenance expense (page 3, item 74).....	4,516,298.86	4,018,080.39	1,060,651.95	989,966.10
3. ADMINISTRATIVE & GENERAL					
935	Maintenance of general plant (page 3, items 75).....	283,158.75	313,817.72	42,249.69	30,998.12
(645)	Total maintenance expense (page 3, item 76).....	4,799,457.61	4,331,898.11	1,102,901.64	1,020,964.22
(650)	Total operating and maintenance expense.....	15,291,449.01	14,698,861.98	4,310,196.20	4,175,913.86
(655)	Total direct and indirect payroll charged to construction and retirements.....			957,598.68	1,735,194.77
(660)	Payroll charged to other accounts.....			1,976,181.67	1,068,511.47
(662)	Fiscal year net change in accrued leave account - (increase) decrease.....			(29,220.15)	14,110.20
(665)	Total payroll distribution for year.....			7,214,756.40	6,993,730.30

*FURNISH DETAILS OF THESE ACCOUNTS ON PAGES 32 AND 33.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

STATISTICAL DATA						
CLASS OF SERVICE	ITEM NO	REVENUE		ITEM NO	KILOWATT-HOURS SOLD	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Residential.....	100	63,982,714.55	61,426,735.18	107	573,807,310	549,773,164
Gen. Power - 50 kW & under.....	101	9,706,251.40	10,108,906.27	108	73,348,463	75,247,987
Gen. Power - Over 50 kW.....	102	44,914,237.09	44,605,706.79	109	498,579,840	497,298,548
Street and athletic.....	103	519,818.27	510,702.19	110	4,220,477	4,211,831
Outdoor lighting.....	104	1,374,750.00	1,348,805.31	111	12,307,526	12,315,057
Subtotal.....	330	120,497,771.31	118,000,855.74			
Unbilled revenue*.....	331	36,034.21	(142,093.72)			
Total (page 3, item 59).....	332	120,533,805.52	117,858,762.02	335	1,162,263,616	1,138,846,587
Kilowatt-hours for own use.....				113	3,547,054	273,478
Total kilowatt-hours sold and used.....				114	1,165,810,670	1,139,120,065
Kilowatt-hours in unbilled revenue (Items 331) above* ..				336	30,385,301	21,481,050

STATE	SALES TAX
KY	2,468,497.41
Total	2,468,497.41

TO ABOVE CLASSES OF REVENUE	CREDITS	GREEN POWER REVENUE
Residential.....	9,122.09	2,652.00
Gen. Power - 50 kW & under.....	105,797.70	
Gen. Power - Over 50kW.....	791,874.23	

PURCHASED POWER						
TVA	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Purchased Power.....	115	88,341,435.95	86,883,161.39	119	1,217,691,287	1,198,832,975
Facilities Rental.....	116	1,623,351.44	1,691,213.71			
Other Charges/Credits.....	117					
Total from TVA.....	118	89,964,787.39	88,574,375.10	122	1,217,691,287	1,198,832,975
Other Purchased Power**.....	218			222		
Subtotal.....	340	89,964,787.39	88,574,375.10			
Unbilled Purchases*.....	341					
Total (page 3, item 65).....	342	89,964,787.39	88,574,375.10	345	1,217,691,287	1,198,832,975
Less kilowatt hours sold and used (item 114).....				123	1,165,810,670	1,139,120,065
Line losses and kilowatt-hours unaccounted for.....				124	51,880,617	59,712,910
Percent of losses to purchases (2 decimal places).....				125	4.26	4.98
Kilowatt-hours in unbilled purchases (Item 341) above* ..				346		

**Purchased other power under contract number _____ from _____

NUMBER OF CUSTOMERS			MISCELLANEOUS DATA		
CLASS OF SERVICE	MONTH OF JUNE			THIS YEAR	LAST YEAR
	THIS YEAR	LAST YEAR			
Residential..... (675)	41,783	37,717	Pole Line Miles (2 decimal places)..... (715)	5,073.00	5,079.00
Gen. Power - 50 kW & under..... (680)	4,338	8,509	Individual Outdoor Lts. No. in plant..... (720)	14,428	14,353
Gen. Power - Over 50 kW..... (685)	615	624	Total investment..... (725)	5,726,065.58	5,577,539.04
Street and athletic..... (690)	131	149	O&M expense..... (730)	306,963.60	271,251.51
Outdoor Lighting - Excl. Code 77..... (693)	60	65	St. Ltg-Invest. Base..... (735)	2,111,547.14	2,100,479.82
Total..... (695)	46,927	47,064	O&M expense..... (740)	72,519.98	72,991.39
Outdoor Lighting - Code 77..... (697)	11,225	11,167	Lamps & Glassware..... (745)	2,068.22	1,884.35

*Item nos. 331, 336, 341, and 346 are to be filled in only if distributor chooses the option to estimate unbilled electric sales.

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

MODIFIED STREET LIGHTING COMPUTATION				
Give computation of modified street lighting rate relative to lamps and glassware by customers, if applicable:				
TOWN	COST OF LAMPS AND GLASSWARE	KWH	ALLOWANCE	EXCESS TO BE BILLED
		FROM STAT. REPT.	KWH X .003	
ADAIRVILLE	16.96	79,128	237.38	
CADIZ	471.90	496,216	1,488.65	
APACHE HEIGHTS HOMEOWNERS		10,868	32.60	
ELKTON	108.28	472,954	1,418.86	
GUTHRIE	64.74	155,428	466.28	
HOPKINSVILLE	675.05	648,612	1,945.84	
LAFAYETTE	44.32	15,846	47.54	
LEWISBURG	44.16	125,838	377.51	
OLMSTEAD		3,825	11.48	
PEMBROKE	66.23	85,518	256.55	
TRENTON	14.54	57,341	172.02	
OAK GROVE	389.46	267,318	801.95	
RUSSELLVILLE	49.62	101,016	303.05	
KY DEPT OF HIGHWAY		692,901	2,078.70	
FT. CAMPBELL	118.72	151,764	455.29	
LATHAM (RICHARD)(FAIRWAY)		11,616	34.85	
HARRIS CW JR (STONEWALL)	4.24	1,584	4.75	
TOTAL:	2,068.22	3,377,773	10,133.30	

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCT. NO.	DESCRIPTION	BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
ELECTRIC PLANT							
INTANGIBLE							
301	Organization.....						
302	Franchises and consents.....						
303	Miscellaneous.....						
(750)	Total intangible.....						
PRODUCTION							
755	Total production.....						
TRANSMISSION							
350	Land and land rights.....	71,983.04					71,983.04
351	Clearing land and rights of way.....						
352	Structures and improvements.....	55,160.21					55,160.21
353	Station equipment.....	301,491.18					301,491.18
354	Towers and fixtures.....						
355	Poles and fixtures.....	531,834.88	45,998.18	14,397.72			563,435.34
356	Overhead conductors and devices.....	275,857.83					275,857.83
357	Underground conduit.....						
358	Underground conductors and devices.....						
359	Roads and trails.....						
(760)	Total transmission.....	1,236,327.14	45,998.18	14,397.72			1,267,927.60
DISTRIBUTION							
360	Land and land rights.....	1,140,636.44	7,002.00	116.64			1,147,521.80
361	Structures and improvements.....						
362	Station equipment.....	10,583,511.10	151,108.83	50,941.58			10,683,678.35
363	Storage battery equipment.....						
364	Poles, towers, and fixtures.....	59,437,024.32	3,722,458.01	1,171,179.32			61,988,303.01
365	Overhead conductors and devices.....	22,769,452.37	1,744,235.44	287,973.41			24,225,714.40
366	Underground conduit.....	414.56					414.56
367	Underground conductors and devices.....	5,625,964.64	268,314.87	10,345.35			5,883,934.16
368	Line transformers.....	29,137,514.71	1,453,264.92	391,082.53			30,199,697.10
369	Services.....	9,326,370.80	458,114.80	76,324.56			9,708,161.04
370	Meters.....	11,796,078.20	920,274.05	95,418.94			12,620,933.31
371	Inst. on customers' premises.....	5,577,539.04	459,972.10	311,445.56			5,726,055.58
372	Leased prop. on cust. premises.....						
373	St. lighting and signal systems.....	2,047,103.80	78,256.13	67,188.81			2,058,171.12
(765)	Total distribution.....	157,441,609.98	9,263,001.15	2,462,016.70			164,242,594.43

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

		ELECTRIC PLANT					
ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
	GENERAL						
389	Land and land rights.....	955,691.78	598,020.06			3,000.00	1,550,711.84
390	Structures and improvements.....	7,526,649.97	2,653,803.68	10,186.00		125,727.12	10,144,540.53
391	Office furniture and equipment.....	2,206,165.29	233,974.50	50,645.35			2,389,494.44
392	Transportation equipment.....	6,188,492.52	678,764.70	831,316.79			6,035,940.43
393	Stores equipment.....	327,897.93	27,953.79	1,968.70			353,883.02
394	Tools, shop, and garage equip.....	704,322.93	77,296.39	96,089.74			685,529.58
395	Laboratory equipment.....	185,201.89	39,302.90	8,926.54			215,578.25
396	Power operated equipment.....						
397	Communication equipment.....	2,332,996.44	225,501.95	85,383.96			2,473,114.43
398	Miscellaneous equipment.....	14,519.01	6,355.96	1,011.50			19,863.47
399	Other tangible property.....		122,103.98				122,103.98
(770)	Total general.....	20,541,937.76	4,663,077.91	1,085,528.58		128,727.12	23,990,759.97
101	Total plant in service.....	179,219,874.88	13,972,077.24	3,561,943.00		128,727.12	189,501,282.00
102	Electric plant purchased or sold.....						
104	Electric plant leased to others.....						
105	Electric plant for future use.....						
107	Construction work in progress.....	3,392,453.43	(2,647,528.35)				744,925.08
(775)	Total other electric plant.....	3,392,453.43	(2,647,528.35)				744,925.08
(780)	Total electric plant (page 1, item 1).....	182,612,328.31	11,324,548.89	3,561,943.00		128,727.12	190,246,207.08
			(Item 140)				
	RESERVES						
108	Accumulated provision for depreciation of electric plant in service.....					54,979,623.59	
109	Accumulated provision for depreciation of electric plant leased to others.....						
110	Accumulated provision for depreciation of electric plant held for future use.....						
	Total accumulated provision for depreciation (page 1, item 2 and page 11).....					54,979,623.59	
	Total electric plant, less accumulated provision for depreciation (page 1, item 3).....						135,266,583.49
	Reclassification Columns						
	Includes major corrections to prior years additions and retirements, transfers between accounts classified in prior years, and classification of plant purchased and/or sold. A/C 389 SOLD ELKTON WAREHOUSE PROPERTIES A/C 390 SOLD ELKTON WAREHOUSES						
	Explanations of entries shown in the Reclassification Columns:						

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCUMULATED PROVISION FOR DEPRECIATION (Page 10)										
ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ORIGINAL COST	REMOVAL COST	SALVAGE	OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
							DEBIT	CREDIT		
350										
351										
352	4.00	43,368.43	2,204.16						45,572.59	83
353	4.00	237,788.27	7,724.62						245,512.89	81
354										
355	4.00	213,064.36	22,054.24	14,397.72	14,942.45	2,250.00			208,028.43	37
356	3.00	159,479.16	8,275.68						167,754.84	61
357										
358										
359										
(785) TOTAL		653,700.22	40,258.70	14,397.72	14,942.45	2,250.00			666,868.75	53
360			116.64							
361										
362	4.00	6,636,424.16	425,585.56	50,941.58	269.62				7,010,798.52	66
363										
364	3.25	13,765,088.84	1,970,703.03	1,171,179.32	618,152.84	117,347.75			14,063,807.46	23
365	2.50	6,707,472.74	582,096.66	287,973.41	139,966.63	92,657.41			6,954,286.77	29
366	3.00	390.00							390.00	94
367	3.00	1,061,663.62	174,323.65	10,345.35	3,745.54	364.42			1,222,260.80	21
368	3.00	10,589,529.52	890,661.08	391,082.53	64,478.93	38,165.15			11,062,794.29	37
369	4.50	3,006,484.58	429,419.36	76,324.56	39,823.38	22,587.66			3,342,343.66	34
370	3/6	1,792,615.23	749,129.15	95,418.94	35.06	943.40			2,447,233.78	19
371	8/5	1,517,687.10	451,071.43	311,445.56	162,045.04	25,499.84			1,520,767.77	27
372										
373	8.00	1,109,425.42	163,719.36	67,188.81	31,323.90	3,091.47			1,177,723.54	57
(790) TOTAL		46,186,781.21	5,836,825.92	2,462,016.70	1,059,840.94	300,657.10			48,802,406.59	30
389										
390	VAR	1,427,387.46	216,769.27	10,186.00	16,389.70		89,435.49		1,528,145.54	15
391	4/10/20	1,215,422.72	97,925.54	50,645.35	27.70	2,184.00			1,264,859.21	53
392	VAR	1,991,958.78	542,338.85	831,316.79	6,774.54	223,225.00			1,919,431.30	32
393	4.00	99,451.55	13,100.10	1,968.70					110,582.95	31
394	8.00	319,377.02	41,711.32	96,089.74	142.51	50,135.00			314,991.09	46
395	8.00	160,422.88	15,148.11	8,926.54					166,644.45	77
396										
397	3.00	239,993.64	70,644.65	85,383.96	868.13				224,386.20	9
398	10.00	7,511.74	1,165.09	1,011.50					7,665.33	39
399			3,597.22						3,597.22	3
(795) TOTAL		5,461,525.79	1,002,400.15	1,085,528.58	24,202.58	275,544.00	89,435.49		5,540,303.29	23
(800) OTHER		(42,959.81)		(13,004.77)					(29,955.04)	(4)
(805) TOTALS		52,259,047.41	6,879,484.77	3,561,943.00	1,085,981.20	578,451.10	89,435.49		54,979,623.59	29

*Use other entries to report depreciation on property purchased, classifying accruals, unusual entries - explain on page 33.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED

Depreciation expense (403 and 404) (page 3, item 77)	(810)	6,337,145.92
Depreciation charged to transportation expense - clearing.	(815)	542,338.85
Depreciation charged to building expense - clearing.	(820)	
Depreciation charged to other accounts (list each account number).	(825)	
.	(830)	
.	(835)	
.	(840)	
Total accrual (page 11).	(Item 128)	6,879,484.77

Explanations (continue on page 33 if necessary)

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ELECTRIC PLANT ACQUISITION ADJUSTMENTS (Account 114)	
DESCRIPTION	AMOUNT
Balance beginning of year	
Additions during year (as below)	
Total	
Charged to expense (Account 406) (page 3, item 78)	
Other reductions (explain below)	
Balance end of year (page 1, item 4)	

ELECTRIC PLANT PURCHASED THIS YEAR*			
			TOTAL
From whom property acquired (abbreviate)			
Date acquired			
Original cost			
Corrections to date			
Total original cost			
Depreciation reserve at acquisition			
Corrections to date			
Total depreciation reserve			
Base contract purchase price			
Net additions			
Acquisition expense			
Other (explain below)			
Total purchase cost (Item 141)			
Acquisition adjustment (purchase cost, less original cost, net of depreciation)			

*If the original cost and depreciation at acquisition have not been determined for plant purchased this year, report the purchase information only and complete the schedule in the year the purchased plant is classified.

EXPLANATIONS

Give the method of amortizing the acquisition adjustment and other information as required:

CLASSIFICATION OF ELECTRIC PLANT PURCHASED OR SOLD
 Furnish aging of plant purchased and sold on separate worksheet.

ELECTRIC PLANT PURCHASED				ELECTRIC PLANT SOLD			
ACCT. NO.	ORIGINAL COST	DEPRECIATION RESERVE	NET PLANT	ACCT. NO.	ORIGINAL COST	DEPRECIATION RESERVE	NET PLANT
				389	3,000.00		3,000.00
				390	125,727.12	89,435.49	36,291.63
Total				Total	128,727.12	89,435.49	39,291.63

GAIN OR LOSS ON SALE OF ELECTRIC PLANT	
Selling price (Item 130)	111,278.00
Less net plant sold (as above)	39,291.63
Difference	71,986.37
Less selling expense (Item 131)	
Gain or loss on sale (Item 129)	71,986.37

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

INVESTMENTS IN ASSOCIATED COMPANIES (Report only the investments not considered as current assets)			
OTHER INVESTMENTS - GENERAL FUNDS			
Investments included in Accounts 123 and 124			
DESCRIPTION OF INVESTMENTS (GROUP BY TYPE OF INVESTMENT AND SHOW NO. OF INVESTMENTS)	BALANCE END OF YEAR	INCOME	GAIN OR (LOSS) ON SALES
Class E Stock	1,037,921.73	82,833.46	
Investment in Federated Insurance Co.	237,338.00	46,434.00	
Long-Term Investment - KAEC	5,000.00	18.02	
Investment in PenWar - 500 shares	500.00		
Investment in Southeastern Data Corp. stock	100.00		
Investment - CFC	1,000.00		
Patronage Capital Alloc - SEDC	207,676.54	46,714.33	
Patronage - United Utility Supply	291,102.46		
Patronage - Arkansas Electric	10,670.97		
Patronage - KAEC	88,097.49		
Patronage - Logan Telephone Coop	14,088.11	2,640.38	
Subtotal	1,893,495.30	178,640.19	
	(page 1, item 8)	(account 419, page 16)	
INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS			
(Investments included in Accounts 125, 126, and 128 - page 15)			
Subtotal			
	(page 15)	(account 419, page 16)	
CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS			
(Report only investments considered as current assets)			
Cushion of Credit - Interest Income		448,434.90	
Repurchase Agreement	19,024,330.29	175,000.27	
Interest - District Bank Account		4.00	
Interest - UESC Phases I, II, III, & IV		1,155,820.03	
Total Temporary Cash Investments	19,024,330.29	1,779,259.20	
CASH (Accounts 131 - 135)	248,490.76		
Subtotal	19,272,821.05	1,779,259.20	
	(page 1, item 14)	(account 419, page 16)	
Grand Total	21,166,316.35	1,957,899.39	

Pennyrile Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	SPECIAL FUNDS				TOTAL OF ALL SPECIAL FUNDS	
	ACCOUNT 125	ACCOUNT 126	ACCOUNT 128	ACCOUNT 128		
	TOTAL SINKING FUNDS	DEPRECIATION FUNDS	CONSTRUCTION FUNDS	TOTAL OTHER SPECIAL FUNDS		
Cash included in fund end of year						
Investments in fund end of year (page 14)						
Balance of fund end of year (page 1)						
Minimum balance required*	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)			
Authority creating fund**						
<p>* Explain difference if fund balance is less than minimum required. ** State whether fund is required by bond contract, board action, etc.</p>						
Total Sinking						
Depreciation						
Construction						
Other						
<p>Note: Report all debt service funds as sinking funds. Report all funds for renewals and replacements as depreciation funds.</p>						
NONUTILITY PROPERTY (Account 121)						
	DESCRIPTION AND LOCATION OF PROPERTY			DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
Total						
Less accumulated provision for depreciation (account 122)						
Total net of depreciation (page 1, item 7)						(page 16)

Pennyrile Rural Electric Cooperative Corporation
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCT. NO.	OTHER INCOME	
415	Revenue from merchandising, jobbing, etc.....	287,053.39
416	Cost and expense of merchandising, etc.....	(54,364.25)
417*	Income from nonutility operations - net of expense.....	
418	Nonoperating rental income - net of expense (page 15).....	
419	Interest and dividend income (page 14).....	1,957,899.39
419.1	Interest charged to construction.....	
421*	Misc. nonoperating income - net of expense.....	280,448.28
(845)	Total other income (page 3, item 83).....	2,471,036.81

*Explain these items briefly:

417	421
	DRU payment - \$208,425.56
	Surge Protectors - \$26.67
	Time Warner - \$9.68
	Sale of Elkton Property - \$71,986.37

ACCT. NO.	MISCELLANEOUS INCOME DEDUCTIONS	
425*	Miscellaneous amortization.....	
426*	Miscellaneous income deductions.....	152,995.82
(850)	Total misc. income deductions (page 3, item 85).....	152,995.82

*Explain these items briefly:

425	426
	Community Donations - \$131,821.10
	Counseling Committees - \$5,513.97
	Employee Membership Dues - \$1,935.00
	Abandoned Projects - \$2,610.98
	Frankfort/Washington Youth Tours - \$ 11,040.40
	Penalties - \$74.37

INVESTMENT PROCEDURES

Are investments in excess of \$100,000 secured? Yes No If yes, how?
 U.S. Treasury obligations. Securities are held by third party and we have a safekeeping receipt.

ACCT. NO.	RECEIVABLES	
141	Notes receivable (Explain on page 33).....	
142	Customer accounts receivable.....	10,777,734.58
143	Other accounts receivable.....	811,524.47
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due).....	
	Total.....	11,589,259.05
144	Accumulated provision for uncollectible accounts.....	12,500.00
	Accounts receivable net of reserve (page 1, item 15).....	11,576,759.05

AGE OF RECEIVABLES AT JUNE 30

	ACCOUNT 141	ACCOUNT 142	ACCOUNT 143	ACCOUNT 146
Accounts with credit balances.....		187,408.24	1,286.13	
Due after June 30.....		5,325,927.12		
From 1 to 30 days past due.....		4,909,389.63	798,588.94	
From 31 to 60 days past due.....		507,008.45	536.28	
From 61 to 90 days past due.....		93,347.46	491.60	
Over 90 days past due.....		129,470.16	13,193.78	
Totals (as above).....		10,777,734.58	811,524.47	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCT. NO.	MATERIALS AND SUPPLIES	
154	Plant materials and operating supplies	572,739.74
155	Merchandise	
156	Other materials and supplies	63,432.38
163	Stores expense undistributed	11,798.58
(855)	Total materials and supplies (page 1, item 16)	647,970.70

Give dates of physical inventories this year: 12/14/2012
 Total of adjustments: \$ _____ over, or \$ 4,255.47 short

ACCT. NO.	PREPAYMENTS - Account No. 165	
	Prepaid insurance	110,862.24
	Prepaid employee pension plan	
	Prepaid taxes (page 29)	13,278.10
	Prepaid rents	
	Other prepayments	58,813.44
	Total prepayments (page 1, item 17)	182,953.78

ACCT. NO.	OTHER CURRENT ASSETS	
171	Interest and dividends receivable	29,122.75
172	Rents receivable	343,387.18
173	Accrued utility revenue	1,599,622.00
174	Miscellaneous current and accrued assets	
	Total other current assets (page 1, item 18)	1,972,131.93

ACCT. NO.	DEFERRED DEBITS	
181	Unamortized debt expense (page 1, item 20)	1,359,994.94

Give method and period of amortization:
 AMORTIZED OVER LIFE OF LOAN

186	Deferred costs on TVA leases (page 1, item 25)	
	Additions	
	Removal Costs	
	Salvage	
	Accumulated Amortization	
	Total as above	

186	Miscellaneous deferred debits (page 1, item 26)	24,283,272.16
-----	---	---------------

List of Items:	
Receivables from plant sales (item 148)	
Other items (list):	
Notes Receivable - PenWar, Inc. Customers	43,722.44
Retirement Deferred Debit	2,229,923.73
Notes Receivable - FTC - UESC	18,109,955.39
Retirement - NRECA Prepayment	3,899,670.60
Total as above	24,283,272.16

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

CUSTOMER ADVANCES FOR CONSTRUCTION - REFUNDABLE (Account 252)					
BEGINNING BALANCE	ADDITIONS	REFUNDS	CONFISCATIONS*	ENDING BALANCE	AMOUNT MATURING NEXT YEAR
				(page 2, item 55)	

*Please list the FERC account numbers and amounts credited when advances were confiscated:
 252.01

The refundable customer advances for construction policy is as follows:
 Advance from mobile home required and will be refunded if mobile home becomes a permanent dwelling.

NONREFUNDABLE CONTRIBUTIONS

The nonrefundable contribution in aid of construction policy is as follows:

Show the amounts of nonrefundable contributions and the FERC account numbers credited during the fiscal year.
 10720 \$1,607,349.91

INSURANCE

PROPERTY OR CONTINGENCY COVERED	HAZARD INSURED AGAINST	AMOUNT OF COVERAGE
Employee Injury	Worker's Compensation	1,000,000/1,000,000
Public Liability	Bodily Injury	2,000,000/2,000,000
Public Liability	Property Damage	2,000,000/2,000,000
Excess Public Liability	Catastrophes	19,000,000
Automobiles and Trucks	Property Damage & Bodily Injury	2,000,000/2,000,000
Buildings and Contents	Property Damage	45,808,813
Theft and Embezzlement	Crime	1,000,000
Directors and Officers	Personal Liability	10,000,000
Other: Earthquake	Direct Physical Loss	25,000,000
Fiduciary Limit of Liability	Fiduciary	5,000,000
Electromagnetic Field Liability	EFT	1,000,000
Limit of Liability (I.A., I.C., I.D., & I.E.)	Cyber	3,000,000
Privacy Breach Response Service	Cyber	2,000,000

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200	FEDERAL FINANCING BANK - PENNYRILE 0003 0003	FEDERAL FINANCING BANK - PENNYRILE 0003 0004	FEDERAL FINANCING BANK PENNYRILE 0003 0001			
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2056						
2057						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200		FEDERAL FINANCING BANK PENNYRILE 0003 0002	FEDERAL FINANCING BANK PENNYRILE 0001 0001	FEDERAL FINANCING BANK PENNYRILE 0001 0002		
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2056						
2057						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200		FEDERAL FINANCING BANK PENNYRILE 0001 0003	FEDERAL FINANCING BANK PENNYRILE 0001 0004	FEDERAL FINANCING BANK PENNYRILE 0001 0005		
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2056						
2057						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100						
NAME OF ISSUE 200	FEDERAL FINANCING BANK PENNYRILE 0002 0001	FEDERAL FINANCING BANK PENNYRILE 0002 0002	FEDERAL FINANCING BANK PENNYRILE 0002 0003			
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2056						
2057						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES:						
MONTH AND DAY 100						
NAME OF ISSUE 200		FEDERAL FINANCING BANK PENNYRILE 0002 0004		FFB CUSHION OF CREDIT (RUS)		POST RETIREMENT BENEFITS DUE TO EMPLOYEES
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2010						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2056						
2057						
OUTSTANDING END OF YEAR 300						

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE					
DETAILS REGARDING BONDS ON PAGE					
MATURITIES: MONTH AND DAY 100					
NAME OF ISSUE 200					
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					
2050					
2051					
2052					
2053					
2054					
2055					
2056					
2057					
OUTSTANDING END OF YEAR	300				

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YR)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLOTMENT (ACCOUNT 224.2)	AMOUNT REPAID THIS YEAR		OUTSTANDING END OF YEAR EXCLUDING CUSHION OF CREDIT
							PRINCIPAL	DEFERRED INTEREST	
01-1B275	6/19/1995	5.00	35	01/1996	2,042,000.00		14.22	16.86	330.18
02-1B280	10/29/1996	5.00	35	07/1998	6,626,000.00		164,161.56	246,315.36	4,842,853.45
03-1B285	2/2/1998	5.00	35	07/1998	3,935,000.00		97,165.71	146,285.97	2,876,336.89
04-1B286	6/22/1998	5.13	35	07/1998	2,691,000.00		65,670.40	103,539.68	1,986,955.80
05-				/					
06-				/					
07-				/					
08-				/					
09-				/					
10-				/					
11-				/					
12-				/					
13-				/					
14-				/					
15-				/					
16-				/					
17-				/					
18-				/					
19-				/					
20-				/					
21-				/					
22-				/					
23-				/					
24-				/					
25-				/					
26-				/					
27-				/					
28-				/					
29-				/					
30-				/					
31-				/					
32-				/					
33-				/					
34-				/					
35-				/					
36-				/					
37-				/					
38-				/					
39-				/					
40-				/					
(860) Total					15,294,000.00		327,011.89	496,157.87	9,706,476.32

List Note Numbers Paid Monthly: 1B275 1B280 1B285 1B286
 *EXCLUDING CUSHION OF CREDIT.

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE NUMBER	DATE OF NOTE	INT. RATE	CFC OR COBANK	TERM OF NOTE (YR)	AMOUNT OF LOAN APPROVED	UNADVANCED LOAN		AMT REPAID THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
						PRINCIPAL	INTEREST	PRINCIPAL	INTEREST		NOTE NUMBER	%
01-1679742	10/31/2003	4.90	COBANK	13	6,081,760.08	525,482.18	61,430.11	906,913.60				
02-105638	9/1/2005	5.38	COBANK	10	9,171,343.00	935,758.68	237,956.93	3,781,475.25				
03-2427406	7/19/2010	4.44	COBANK	18	2,285,755.63	148,427.34	88,386.14	1,862,058.17				
04-												
05-												
06-												
07-												
08-												
09-												
10-												
11-												
12-												
13-												
14-												
15-												
16-												
17-												
18-												
19-												
20-												
21-												
22-												
23-												
24-												
25-												
26-												
27-												
28-												
29-												
30-												
31-												
32-												
33-												
34-												
35-												
36-												
37-												
38-												
39-												
40-												
41-												
(865) Total.....					17,538,858.71	1,609,668.20	387,773.18	6,550,447.02				

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

LONG-TERM DEBT - RUS		
ACCT.	PRINCIPAL DATA	AMOUNT
224.1	Long-term debt - RUS	9,706,476.32
224.2	Unadvanced RUS allotment - debit (page 21)	
224.3	Deferred interest - RUS	
224.4	Long-term debt - RUS - matured and deferred	
224.5	Cushion of credit - RUS - debit	(1,185,826.24)
	Net balance due RUS as above (page 2, item 36)	8,520,650.08
	Total additions to RUS long-term debt this year	(Item 132) <input type="text"/>
	Repayments for the year excluding advance payments	(Item 143) <input type="text" value="327,011.89"/>
INTEREST ACCRUED - RUS (Account 237.1)		
	Balance beginning of year (matured \$.00)	
	Accrued during year (Account 427.1) (page 3, item 87) (page 26 summary)	496,157.87
	Repayments this year	496,157.87
	Balance end of year (matured \$.00) (page 2, item 49)(page 26 summary)	
LONG-TERM DEBT - CFC		
ACCT.	PRINCIPAL DATA	AMOUNT
223.1	Subscriptions to CFC capital term certificates - debit	
223.2	Unpaid subscriptions to CFC capital term certificates - credit	
223.4	CFC loan approved - unadvanced - debit (page 22)	
223.5	Long-term debt - CFC credit	
223.61	Patronage capital certificates - debit	
223.62	Deferred patronage dividends - credit	
	Net CFC account (account 223) (page 2, item 37)	
	Total additions to CFC long-term debt this year	(Item 135) <input type="text"/>
	Repayments for the year excluding advance payments	(Item 144) <input type="text"/>
INTEREST ACCRUED - CFC (Account 237.2)		
	Balance beginning of year (matured \$.00)	
	Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary)	
	Repayments this year	
	Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary)	
LONG-TERM DEBT - COBANK		
ACCT.	PRINCIPAL DATA	AMOUNT
229.10	Long Term Debt - CoBank - credit	6,550,447.02
229.20	Unadvanced allotment - CoBank - debit	
229.30	Subscription to class "C" stock - CoBank - debit	
229.40	Unpaid subscription to class "C" stock - CoBank - credit	
229.50	Allocated earnings receivable - CoBank - debit	
229.51	Allocated earnings deferred - CoBank - credit	
	Net CoBank account (account 229) (page 2, item 38)	6,550,447.02
	Amount received on allotment this year	(Item 136) <input type="text"/>
	Repayments this year	(Item 145) <input type="text" value="1,609,668.20"/>
INTEREST ACCRUED - COBANK (Account 237.6)		
	Balance beginning of year (matured \$.00)	(2,696,509.46)
	Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary)	380,935.67
	Repayments this year	387,773.18
	Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary)	(2,703,346.97)

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0001
 Date of issue: 04/22/1999 Amount of original issue: \$ 3,500,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments:
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	2,867,762.12	Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	159,718.90
Total.	2,867,762.12	Total.	159,718.90
Bonds retired this year.	77,305.22	Payments during year.	159,718.90
Balance end of year.	2,790,456.90	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	2,790,456.90	Balance less matured (237.3).	

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0002
 Date of issue: 11/04/1999 Amount of original issue: \$ 4,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments:
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	3,342,424.79	Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	208,257.40
Total.	3,342,424.79	Total.	208,257.40
Bonds retired this year.	83,542.08	Payments during year.	208,257.40
Balance end of year.	3,258,882.71	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	3,258,882.71	Balance less matured (237.3).	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0003
 Date of issue: 11/01/2000 Amount of original issue: \$ 6,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments:
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: SYSTEM IMPROVEMENTS

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	4,961,334.72	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	291,241.30
Total	4,961,334.72	Total	291,241.30
Bonds retired this year	129,237.50	Payments during year	291,241.30
Balance end of year	4,832,097.22	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	4,832,097.22	Balance less matured (237.3)	

Name of issue: POST RETIREMENT BENEFITS DUE TO EMPLOYEES
 Date of issue: _____ Amount of original issue: \$ _____
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments:
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: PostRetirement - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue:

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	1,827,000.00	Accrued beginning of year	
Issued during year	317,027.19	Accrued during year (427.3)	
Total	2,144,027.19	Total	
Bonds retired this year	90,427.19	Payments during year	
Balance end of year	2,053,600.00	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	2,053,600.00	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0001 0004
 Date of issue: 05/23/2002 Amount of original issue: \$ 6,000,000.00
 Cash realized: \$ 6,000,000.00 Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments:
 Interest due dates: Quarterly Principal due dates: Quarterly Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	4,672,092.63	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	198,852.50
Total	4,672,092.63	Total	198,852.50
Bonds retired this year	145,899.18	Payments during year	198,852.50
Balance end of year	4,526,193.45	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	4,526,193.45	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0001 0005
 Date of issue: 03/31/2003 Amount of original Issue: \$ 5,533,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments:
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	4,422,694.87	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	188,237.69
Total	4,422,694.87	Total	188,237.69
Bonds retired this year	138,111.03	Payments during year	188,237.69
Balance end of year	4,284,583.84	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	4,284,583.84	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0002 0001
 Date of issue: 07/01/2005 Amount of original issue: \$ 6,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what Index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	5,310,209.96	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	224,689.68
Total	5,310,209.96	Total	224,689.68
Bonds retired this year	120,670.78	Payments during year	224,689.68
Balance end of year	5,189,539.18	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	5,189,539.18	Balance less matured (237.3)	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0002 0002
 Date of issue: 02/09/2006 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what Index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	7,200,536.39	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	340,211.37
Total	7,200,536.39	Total	340,211.37
Bonds retired this year	152,536.73	Payments during year	340,211.37
Balance end of year	7,047,999.66	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	7,047,999.66	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0002 0003
 Date of issue: 03/26/2007 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments:
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipally give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	7,322,698.02	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	355,222.95
Total	7,322,698.02	Total	355,222.95
Bonds retired this year	152,343.96	Payments during year	355,222.95
Balance end of year	7,170,354.06	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	7,170,354.06	Balance less matured (237.3)	

Name of issue: FEDERAL FINANCING BANK PENNYRILE 0002 0004
 Date of issue: 08/13/2007 Amount of original issue: \$ 3,462,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments:
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipally give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	3,198,805.85	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	162,135.58
Total	3,198,805.85	Total	162,135.58
Bonds retired this year	64,496.15	Payments during year	162,135.58
Balance end of year	3,134,309.70	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	3,134,309.70	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0003 0001
 Date of Issue: 02/06/2009 Amount of original Issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	7,692,603.17	Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	261,473.22
Total.	7,692,603.17	Total.	261,473.22
Bonds retired this year.	149,696.79	Payments during year.	261,473.22
Balance end of year.	7,542,906.38	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	7,542,906.38	Balance less matured (237.3).	

Name of Issue: FEDERAL FINANCING BANK PENNYRILE 0003 0002
 Date of Issue: 07/29/2010 Amount of original Issue: \$ 10,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	9,391,667.91	Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	18,143.71
Total.	9,391,667.91	Total.	18,143.71
Bonds retired this year.	304,731.58	Payments during year.	18,143.71
Balance end of year.	9,086,936.33	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	9,086,936.33	Balance less matured (237.3).	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FEDERAL FINANCING BANK - PENNYRILE 0003 0003
 Date of Issue: 10/07/2011 Amount of original issue: \$ 8,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	7,915,690.81	Accrued beginning of year	
Issued during year		Accrued during year (427.3)	220,907.92
Total	7,915,690.81	Total	220,907.92
Bonds retired this year	170,556.44	Payments during year	220,907.92
Balance end of year	7,745,134.37	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	7,745,134.37	Balance less matured (237.3)	

Name of issue: FEDERAL FINANCING BANK - PENNYRILE 0003 0004
 Date of issue: 07/17/2012 Amount of original issue: \$ 5,000,000.00
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year		Accrued beginning of year	
Issued during year	5,000,000.00	Accrued during year (427.3)	10,134.34
Total	5,000,000.00	Total	10,134.34
Bonds retired this year	122,621.20	Payments during year	10,134.34
Balance end of year	4,877,378.80	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	4,877,378.80	Balance less matured (237.3)	

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of Issue: FFB CUSHION OF CREDIT (RUS)
 Date of Issue: _____ Amount of original issue: \$ 4,709,333.23
 Cash realized: \$ _____ Discount: \$ _____ Premium: \$ _____ Exp: \$ _____
 If rates are variable, state what Index they are tied to and length of time between readjustments: _____
 Interest due dates: \ _____ Principal due dates: \ _____ Denominations: \$ _____
 Agent for paying principal and Interest: _____
 Revenue or general obligation bonds: Other - 228 Issued or assumed: _____
 If assumed from municipality give date and amount assumed: _____ \$ _____
 Amount authorized if different from amount issued: \$ _____
 Purpose of Issue: _____

Conditions under which bonds may be called:

If bonds were called this year give amount called: \$ _____ Price paid: \$ _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year		Accrued beginning of year	
Issued during year		Accrued during year (427.3)	
Total		Total	
Bonds retired this year	4,709,333.23	Payments during year	
Balance end of year	(4,709,333.23)	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	(4,709,333.23)	Balance less matured (237.3)	

SUMMARY OF LONG-TERM DEBT - BONDS (Account 221) AND OTHER (Account 228)

	ACCOUNT 221	OTHER* ACCOUNT 228	TOTAL*	POST- RETIREMENT BENEFITS ACCOUNT 228	TVA ACCOUNT 228
Balance beginning of year		68,298,521.24	68,298,521.24	1,827,000.00	
Issued during year (Item 137)		5,000,000.00	5,000,000.00	317,027.19	
Total		73,298,521.24	73,298,521.24	2,144,027.19	
Bonds retired this year (Item 146)		6,521,081.87	6,521,081.87	90,427.19	
Balance end of year		66,777,439.37	66,777,439.37	2,053,600.00	
Including matured of (239) (Item 147)					
Balance less matured (221)		66,777,439.37	66,777,439.37	2,053,600.00	

(page 2, item 39.1) (page 2, item 39.2) (page 2, item 39.3)

SUMMARY OF INTEREST ACCRUED - LONG-TERM DEBT (Account 237)

	TOTAL
Accrued beginning of year	
Accrued during year (427.3) (page 26)	2,639,226.56
Total	2,639,226.56
Payments during year	2,639,226.56
Balance end of year	
Including matured of (240)	
Balance less matured (237.3) (page 26)	

*Less TVA Long-term Debt and Postretirement Benefits

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTES PAYABLE (Account 231)			
PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.....		Accrued beginning of year.....	
New notes issued during year.....		Accrued during year (as below).....	
Total.....		Total.....	
Notes retired this year.....		Payments during year.....	
Balance end of year.....		Balance end of year (as below).....	
Portion of balance TVA (page 2, item 45.1).....			
Portion of balance non-TVA (page 2, item 45.2).....			

CUSTOMER DEPOSITS (Account 235)	
Balance accrued interest on customer deposits end of year.....	
Balance customer deposits end of year (Account 235).....	5,721,823.75
Total customer deposits (page 2, item 47).....	5,721,823.75

SUMMARY OF ACCRUED INTEREST AND INTEREST EXPENSE										
ACCT. NO.	DESCRIPTION	FROM PAGE NO.	REPORT ON BALANCE SHEET AS INDICATED BELOW				REPORT ON REVENUE AND EXPENSE STATEMENT AS INDICATED BELOW			
			ACCT. NO.	PAGE NO.	ITEM NO.	ACCRUED END OF YEAR	ACCT. NO.	PAGE NO.	ITEM NO.	EXPENSE FOR YEAR
221	Bonds	25	237.3	2	52.2		427.3	3	90.1	
223	CFC	23	237.2	2	50		427.2	3	88	
224	RUS	23	237.1	2	49		427.1	3	87	496,157.87
229	CoBank	23	237.6	2	51	(2,703,346.97)	427.4	3	89	380,935.67
228	TVA long term	25	237.3	2	52.1		427.3	3	90.2	
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	2,639,226.56
231	TVA Notes Payable	Above	237.5	2	52.1		431	3	90.2	
231	Other notes payable	Above	237.5	2	52.2		431	3	92	
235	Customer Deposits	Above	235	Above	---		431	3	92	218,097.52
--	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year.....						(2,703,346.97)	Net expense for year....			3,734,417.62
Total item 49 (page 2).....							Total item 87 (page 3)....			496,157.87
Total item 50 (page 2).....							Total item 88 (page 3)....			
Total item 51 (page 2).....						(2,703,346.97)	Total item 89 (page 3)....			380,935.67
Total item 52.1 (page 2).....							Total item 90.1 (page 3)....			2,639,226.56
Total item 52.2 (page 2).....							Total item 90.2 (page 3)....			
							Total item 92 (page 3)....			218,097.52

ACCOUNTS PAYABLE		
232	Accounts payable - general (includes \$14,454,360.00 to TVA for purchased power and Fac.Rental).....	15,254,663.82
232	Accrued purchased power.....	
233	Accounts payable - spec. const.....	
234	Payable to municipal - utility revenue.....	
234	Other payables to municipality.....	
Total accounts payable - general (page 2, item 46).....		15,254,663.82

OTHER CURRENT AND ACCRUED LIABILITIES		
239	Matured long-term debt (pages 23, 24, and 25).....	
240	Matured interest (pages 23, 24, and 25).....	
241	Tax collections payable.....	234,308.95
242	Miscellaneous - accrued insurance.....	
242	Miscellaneous - employees' accrued leave.....	467,240.32
242	Miscellaneous - other.....	1,329,919.93
Total other current and accrued liabilities (page 2, item 53).....		2,031,469.20

OTHER DEFERRED CREDITS (Account 253)	
Payables for plant purchases; (item 149).....	
Other items (List): See page 33.....	1,067,167.02
Total other deferred credits (page 2, item 56).....	
Total other deferred credits (page 2, item 56).....	1,067,167.02

Pennyrite Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

TO WHOM PAID		PERIOD COVERED		AMOUNT	TO WHOM PAID		PERIOD COVERED	AMOUNT	
States (list):		1/1/2012	12/31/2012	457,150.62	Cities (list):		1/1/2012	12/31/2012	323.96
KY		1/1/2013	12/31/2013	9,000.95	TRENTON		1/1/2012	12/31/2012	849.03
KY					ELKTON		1/1/2013	12/31/2013	204.37
					ELKTON		1/1/2012	12/31/2012	10,079.58
					CADIZ		1/1/2013	12/31/2013	1,037.18
					CADIZ		1/1/2012	12/31/2012	4,298.17
					RUSSELLVILLE		1/1/2013	12/31/2013	19.47
					RUSSELLVILLE		1/1/2012	12/31/2012	1,162.28
					LEWSBURG		1/1/2012	12/31/2012	379.36
					PEMBROKE		1/1/2012	12/31/2012	2,032.27
					GUTHRIE		1/1/2012	12/31/2012	29,311.17
					HOPKINSVILLE		1/1/2013	12/31/2013	2,075.34
					HOPKINSVILLE		1/1/2012	12/31/2012	1,005.64
					ADAIRVILLE		1/1/2012	12/31/2012	2,947.06
					OAK GROVE		1/1/2012	12/31/2012	
Total states.....				466,151.57	Total cities.....				55,724.88
Counties (list):		1/1/2012	12/31/2012	134,815.43					1,276,862.64
TRIGG		1/1/2013	12/31/2013	2,707.72					
TRIGG		1/1/2012	12/31/2012	148,373.64					
LOGAN		1/1/2013	12/31/2013	315.29					
LOGAN		1/1/2012	12/31/2012	21,150.32					
CALDWELL		1/1/2012	12/31/2012	385.61					
SIMPSON		1/1/2012	12/31/2012	11,323.80					
BUTLER		1/1/2012	12/31/2012	51,044.44					
MUHLENBERG		1/1/2012	12/31/2012	95,900.80					
TODD		1/1/2013	12/31/2013	5,267.43					
TODD		1/1/2012	12/31/2012	254,453.80					
CHRISTIAN		1/1/2012	12/31/2012	23,319.45					
LYON		1/1/2012	12/31/2012	5,928.46					
CHRISTIAN		1/1/2013	12/31/2013						
Total counties.....				754,986.19					

Total paid..... if all the tax equivalent is paid to a city and the city makes redistribution payments to states or counties, show these redistribution payments above and mark them with an *
Also give method of determining amounts redistributed.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT							
<input checked="" type="checkbox"/> TAX, OR <input type="checkbox"/> TAX EQUIVALENT		TN. EQUAL- IZATION RATIO	STATE ASSESS- MENT RATIO	TAX ASSESSMENT OR VALUATION	RATE PER \$100	TAX OR EQUIVALENT FOR TAX PERIOD	AMOUNT APPLICABLE FOR FISCAL YEAR
PERIOD	DISTRICT						
1/1/2012 12/31/2012	STATE OF KENTUCKY			120,799,172.00	.3784		457,150.62
1/1/2012 12/31/2012	TRENTON			138,895.00	.2332		323.96
1/1/2012 12/31/2012	ELKTON			350,482.00	.2422		849.03
1/1/2012 12/31/2012	CADIZ			3,349,006.00	.3010		10,079.58
1/1/2012 12/31/2012	RUSSELLVILLE			1,388,834.00	.3095		4,298.17
1/1/2012 12/31/2012	LEWISBURG			283,054.00	.4106		1,162.28
1/1/2012 12/31/2012	PEMBROKE			218,022.00	.1740		379.36
1/1/2012 12/31/2012	GUTHRIE			460,834.00	.4410		2,032.27
1/1/2012 12/31/2012	HOPKINSVILLE			12,090,154.00	.2424		29,311.17
1/1/2012 12/31/2012	ADAIRVILLE			250,283.00	.4018		1,005.64
1/1/2012 12/31/2012	OAK GROVE			1,512,845.00	.1948		2,947.06
1/1/2012 12/31/2012	TRIGG COUNTY			17,319,659.00	.7784		134,815.43
1/1/2012 12/31/2012	LOGAN COUNTY			17,779,322.00	.8345		148,373.64
1/1/2012 12/31/2012	CALDWELL COUNTY			3,040,588.00	.6938		21,150.32
1/1/2012 12/31/2012	SIMPSON COUNTY			51,449.00	.7495		385.61
1/1/2012 12/31/2012	BUTLER COUNTY			1,429,231.00	.7923		11,323.80
1/1/2012 12/31/2012	MUHLENBERG COUNTY			6,557,328.00	.7784		51,044.44
1/1/2012 12/31/2012	TODD COUNTY			15,075,954.00	.6361		95,900.80
1/1/2012 12/31/2012	CHRISTIAN COUNTY			38,308,726.00	.6642		254,453.80
1/1/2012 12/31/2012	LYON COUNTY			2,671,186.00	.8730		23,319.45
1/1/2013 12/31/2013	CHRISTIAN COUNTY			826,837.00	.7170		5,928.46
1/1/2013 12/31/2013	LOGAN COUNTY			49,350.00	.6389		315.29
1/1/2013 12/31/2013	TODD COUNTY			728,145.00	.7234		5,267.43
1/1/2013 12/31/2013	TRIGG COUNTY			395,862.00	.6840		2,707.72
1/1/2013 12/31/2013	STATE OF KENTUCKY			2,000,194.00	.4500		9,000.95
1/1/2013 12/31/2013	HOPKINSVILLE			826,837.00	.2510		2,075.34
1/1/2013 12/31/2013	RUSSELLVILLE			8,850.00	.2200		19.47
1/1/2013 12/31/2013	ELKTON			67,450.00	.3030		204.37
1/1/2013 12/31/2013	CADIZ			395,862.00	.2620		1,037.18
	TOTAL PAID						1,276,862.64

Where more than one tax period is applicable to the current fiscal year, show beginning and ending dates of each tax period. Compute tax or tax equivalent for each tax period and show amount prorated to this fiscal year. For tax equivalents show all the components of the tax base and applicable tax equivalent by taxing districts. When tax equivalent payments are determined other than by applying applicable tax rates to net plant, describe basis, explain any change from previous period, and include data showing breakdown of net plant by taxing districts and applicable tax rates. Use extra sheets if needed.

REPORT FOR FISCAL YEAR ENDED JUNE 30, 2013

**PENNYRILE RURAL ELECTRIC COOPERATIVE CORPORATION
BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY
TAX OR TAX EQUIVALENT X TAX OR EQUIVALENT**

TAX PERIOD JAN 1, 2012 TO DEC. 31, 2012	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD FY	APPLICABLE FOR FISCAL YEAR
STATE OF KENTUCKY				
Real Estate	9,374,533	0.00122		\$11,436.93
Tangible Property	92,858,910	0.00450		417,865.10
Mfg. Machinery	18,565,729	0.00150		27,848.59
				=====
Total				\$457,150.62
CITIES				
Trenton	138,895	0.00238		\$323.96
Elkton				
Real Estate	199,000	0.00247		\$491.53
Tangible Property	151,482	0.00236		357.50
				=====
Total				\$849.03
Cadiz				
Real Estate	1,600,900	0.002660		\$4,258.39
Personal	1,748,106	0.003330		5,821.19
				=====
Total				\$10,079.58
Russellville				
Real Estate	247,800	0.002550		619.25
Personal	1,141,034	0.003290		3,678.92
				=====
Total				\$4,298.17
Lewisburg	283,054	0.00419		\$1,162.28
Pembroke	218,022	0.00174		\$379.36
Guthrie	460,834	0.0045		\$2,032.27
Hopkinsville				
Real Estate	6,241,732	0.002440		\$15,229.83
Personal	5,848,422	0.00251		14,679.54
				=====
				\$29,311.17
Adairville	250,283	0.004100		\$1,005.64
Oak Grove				
Real Estate	193,000	0.00255		\$492.15
Tangible Property	1,319,845	0.00186		\$2,454.91
				=====
				\$2,947.06

TAX PERIOD JAN 1, 2012 TO DEC. 31, 2012	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD FY	APPLICABLE FOR FISCAL YEAR
COUNTIES				
Trigg				
R. E. County	1,808,309	0.000800		\$1,446.65
R. E. School	1,808,309	0.004890		8,842.63
T. P. County	15,511,350	0.001143		17,729.47
T. P. School	15,511,350	0.004890		75,850.50
T. P. Health	15,511,350	0.001278		19,823.51
T. P. Library	15,511,350	0.000583		9,043.12
R. E. Health	1,808,309	0.000800		1,446.65
R. E. Library	1,808,309	0.000350		632.91
				=====
Total				\$134,815.43
Logan				
R. E. County	480,724	0.001300		\$624.94
Health	480,724	0.000200		96.14
Library	480,724	0.000870		418.23
Extension	480,724	0.000470		225.94
Soil Conservation	480,724	0.000150		72.11
Common School	232,924	0.003800		885.11
Graded School	247,900	0.007740		1,918.75
Big Muddy	247,800	0.001000		247.80
Mud River	232,924	0.000135		31.44
T. P. County	17,298,598	0.002100		36,327.06
Health	17,298,598	0.000200		3,459.72
Library	17,298,598	0.001168		20,204.76
Extension	17,298,598	0.000788		13,631.30
Common School	16,157,564	0.003800		61,398.74
Graded School	1,141,034	0.007740		8,831.60
				=====
Total				\$148,373.64
Caldwell - Stan Hudson				
T. P. County	3,040,588	0.00115		\$3,496.68
T. P. School	3,040,588	0.00361		10,976.52
T. P. Extension	3,040,588	0.000476		1,447.32
Library - Tangible	3,040,588	0.00067		2,037.19
Hospital - Tangible	3,040,588	0.00055		1,672.32
Health - Tangible	3,040,588	0.00050		1,520.29
				=====
Total				\$21,150.32
Simpson- Chris Cline				
T.P. County	51,449	0.001590		81.80
T.P. School	51,449	0.004610		237.18
Library	51,449	0.000705		36.27
Extension	51,449	0.000200		10.29
Ambulance	51,449	0.000390		20.07
				=====
Total				\$385.61

TAX PERIOD JAN 1, 2012 TO DEC. 31, 2012	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD FY	APPLICABLE FOR FISCAL YEAR
Butler				
County	1,429,231	0.000840		\$1,200.55
School	1,429,231	0.003770		5,388.20
Health	1,429,231	0.000225		321.58
Ambulance	1,429,231	0.000890		1,272.02
Library	1,429,231	0.001300		1,858.00
Extension	1,429,231	0.000898		1,283.45
				=====
Total				\$11,323.80
Muhlenberg				
R. E. School	137,184	0.004970		\$681.80
T. P. School	6,420,144	0.004970		31,908.12
R. E. Library	137,184	0.000830		113.86
T. P. Library	6,420,144	0.001362		8,744.24
R. E. Franchise	137,184	0.001020		139.93
T. P. Franchise	6,420,144	0.000980		6,291.74
R. E. Health	137,184	0.000180		24.69
T. P. Health	6,420,144	0.000180		1,155.63
R. E. Extension	137,184	0.000190		26.06
T. P. Extension	6,420,144	0.000212		1,361.07
R. E. Cons. Dist.	137,184	0.000052		7.13
R. E. Airport	137,184	0.000090		12.35
T. P. Airport	6,420,144	0.000090		577.81
				=====
Total				\$51,044.44
Todd - Joey Johnson				
T. P. County	14,718,706	0.000990		\$14,571.52
T. P. School	14,718,706	0.003790		55,783.90
T. P. Library	14,718,706	0.000653		9,611.32
T. P. Health	14,718,706	0.000430		6,329.04
T. P. Extension	14,718,706	0.000505		7,432.95
R. E. County	357,248	0.000990		353.68
R. E. School	357,248	0.003790		1,353.97
R. E. Library	357,248	0.000420		150.04
R. E. Extension	357,248	0.000350		125.04
R. E. Soil Conservation	357,248	0.000100		35.72
R. E. Health	357,248	0.000430		153.62
				=====
Total				\$95,900.80
Christian				
T. P. County	31,717,658	0.00230		\$72,950.61
T. P. School	31,717,658	0.00387		122,747.34
T. P. Extension Service	31,717,658	0.00033		10,530.26
T. P. Health	31,717,658	0.00023		7,295.06
R. E. County	6,591,068	0.00183		12,061.65
R. E. School	6,591,068	0.00387		25,507.43
R. E. Health	6,591,068	0.00023		1,515.95
R. E. Ext. Service	6,591,068	0.000240		1,581.86
R. E. Soil Conservation	6,591,068	0.00004		263.64
				=====
Total				\$254,453.80

TAX PERIOD JAN 1, 2012 TO DEC. 31, 2012	TAX ASSESSMENT OF VALUATION	RATE	EQUIVALENT APPLICABLE FOR TAX PERIOD FY	APPLICABLE FOR FISCAL YEAR
Lyon				
T. P. County	2,671,186	0.002320	\$6,197.15	
T. P. School	2,671,186	0.004250	11,352.54	
Library	2,671,186	0.000520	1,389.02	
Ambulance	2,671,186	0.000690	1,843.12	
Health	2,671,186	0.000250	667.80	
Extension Service	2,671,186	0.000700	1,869.83	
			=====	
Total			\$23,319.45	

			\$1,250,306.43	\$625,153.21
			=====	
Estimated Tax Liability C/Y 2013		State	\$457,150.62	
		Cities	52,388.52	
		Counties	740,767.29	

			\$1,250,306.43	\$625,153.21
			=====	
Underaccrual F/Y '2012		State	\$87,779.64	
		Cities	10,250.52	
		Counties	180,975.93	

			\$279,006.09	\$279,006.09

Total Tax Expense F/Y 2013				\$1,529,312.52
				=====

PENNYRILE RURAL ELECTRIC COOPERATIVE CORPORATION
BASIS FOR COMPUTATION OF PREPAID AD VALOREM PROPERTY TAX
TAX OR TAX EQUIVALENT X TAX OR EQUIVALENT

Page 28E

Tax Period Jan. 1 2012 to Dec. 31, 2012	Tax Assessment of Valuation	Rate	Tax or Equivalent For Tax Period	Amount Applicable For FY '13
Counties				
=====				
Christian				
=====				
State	751,002	0.0045	3,379.50	1,689.75
City-Hopkinsville	751,002	0.00251	1,884.99	942.49
County	751,002	0.00116	871.17	435.59
School	751,002	0.00566	4,250.65	2,125.33
Extension	751,002	0.00012	90.12	45.06
Health	751,002	0.00018	135.17	67.59
TOTAL COUNTY			5,347.11	2,673.57
Logan				
=====				
State	342,093	0.0045	1,539.42	769.71
City-Russellville	342,093	0.0022	752.60	376.30
County	342,093	0.00106	362.65	181.32
Health	342,093	0.000200	68.42	34.21
Extension	342,093	0.000157	53.73	26.86
Independent School	342,093	0.00539	1,843.88	921.94
Library	342,093	0.00023	78.70	39.35
TOTAL COUNTY			2,407.38	1,203.68
Todd				
=====				
State	431,498	0.00450	1,941.75	970.88
City-Elkton	431,498	0.00303	1,307.44	653.72
County	431,498	0.00101	435.80	217.90
School	431,498	0.00524	2,261.05	1,130.52
Health	431,498	0.00043	185.54	92.77
Extension	431,498	0.00030	131.19	65.59
Library	431,498	0.00025	107.91	53.96
TOTAL COUNTY			3,121.50	1,560.74
Trigg				
=====				
State	433,427	0.00450	1,950.43	975.22
City-Cadiz	433,427	0.00262	1,135.58	567.79
County	433,427	0.00096	416.09	208.04
School	433,427	0.00459	1,989.43	994.71
Health/Amb.	433,427	0.00094	407.41	203.71
Library	433,427	0.00035	151.73	75.86
TOTAL COUNTY			2,964.66	1,482.32
			=====	=====
			\$27,732.36	\$13,866.17

PENNYRILE RURAL ELECTRIC COOPERATIVE CORPORATION
BASIS FOR COMPUTATION OF PREPAID AD VALOREM PROPERTY TAX
TAX OR TAX EQUIVALENT X TAX OR EQUIVALENT

Tax Period Jan. 1 2013 to Dec. 31, 2013	Tax Assessment of Valuation	Rate	Tax or Equivalent For Tax Period	Amount Applicable For FY '14
Counties				
=====				
Christian				
=====				
State	826,837	0.0045	3,720.79	1,860.39
City-Hopkinsville	826,837	0.00251	2,075.34	1,037.67
County	826,837	0.00116	959.12	479.56
School	826,837	0.00566	4,679.91	2,339.95
Extension	826,837	0.00012	99.24	49.62
Health	826,837	0.00023	190.19	95.10
TOTAL COUNTY			5,928.46	2,964.23
Logan				
=====				
State	49,350	0.0045	222.08	111.04
City-Russellville	8,850	0.0022	19.47	9.74
County	49,350	0.00106	52.31	26.16
School	40,500	0.0046	186.30	93.15
Health	49,350	0.000200	9.87	4.94
Extension	49,350	0.000157	7.75	3.87
Independent School	8850	0.00539	47.70	23.85
Library	49,350	0.00023	11.36	5.68
TOTAL COUNTY			315.29	157.65
Todd				
=====				
State	728,145	0.00450	3,276.67	1,638.33
City-Elkton	67,450	0.00303	204.37	102.19
County	728,145	0.00101	735.41	367.70
School	728,145	0.00524	3,815.49	1,907.74
Health	728,145	0.00043	313.11	156.56
Extension	728,145	0.00030	221.35	110.67
Library	728,145	0.00025	182.08	91.04
TOTAL COUNTY			5,267.43	2,633.71
Trigg				
=====				
State	395,862	0.00450	1,781.41	890.70
City-Cadiz	395,862	0.00262	1,037.18	518.59
County	395,862	0.00096	380.03	190.01
School	395,862	0.00459	1,817.00	908.50
Health/Amb.	395,862	0.00094	372.12	186.06
Library	395,862	0.00035	138.57	69.29
TOTAL COUNTY			2,707.72	1,353.86
			=====	=====
			\$26,556.21	\$13,278.10
Amount carried from Page 28E				\$13,866.17
				=====
				\$27,144.27

GENERAL INFORMATION

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)
 Board of Directors and General Manager

2. In the case of a Power Board (or Utilities Board), list any other departments of the city over which it exercises control.

3. (a) Give the statutes under which the electric system was created.
 KENTUCKY REVISED STATUTES, CHAPTER 279

- (b) Give the statutes under which the electric system is currently operating if different from the above.

4. (a) Are customers' accounts billed by an outside organization? N
 If so, give name. If not, give the type in-house hardware. HP 9000

- (b) At June 30:
 - 1) What percentage is added to customer bills for late payments? 5.00 %
 - 2) How many days are allowed between date of bill and last day before gross billing applies? 17 days
 - 3) Is an "Even Monthly Payment" (budget billing) plan available for electric consumers? Y Yes No
 - 4) Amount of security deposit required for residential service:

Owner with Electric Heat	\$125.00
Owner without Electric Heat	\$125.00
Tenant with Electric Heat	\$200.00
Tenant without Electric Heat	\$200.00
Other (describe)	

- 5) Are there any customer deposits that qualify (deposits exceeding 1 month's average bill and held longer than 6 months) for the payment of interest under the service practice standard entitled Deposit? If yes, what rate of interest is paid?

Class	Yes/No	Interest Rate
Residential	N	. 018%
C & I Part A	N	. 018%
C & I Part B	N	. 018%

- 6) Is interest on deposits:

Refunded by check annually?	<u> </u> Yes	<u> </u> N	<u> </u> No
Credited on customer's power bill annually?	<u> Y </u> Yes	<u> </u> Yes	<u> </u> No
Credited to a deposit account annually?	<u> </u> Yes	<u> </u> Yes	<u> </u> No
Handled differently (Explain)			

- 7) Are prior written notice and due process afforded to customers before termination for nonpayment?

Prior written notice?	<u> Y </u> Yes	<u> </u> Yes	<u> </u> No
Due process?	<u> Y </u> Yes	<u> </u> Yes	<u> </u> No

- 8) Is information about policies and rates available upon request and application for service?

Upon request?	<u> Y </u> Yes	<u> </u> Yes	<u> </u> No
Upon application for service?	<u> Y </u> Yes	<u> </u> Yes	<u> </u> No

- 9) Are the media used to inform customers about policies and rates?

Policies?	<u> Y </u> Yes	<u> </u> Yes	<u> </u> No
If yes, how many times during the past 12 months?	<u> 12 </u> Times		
Rates?	<u> Y </u> Yes	<u> </u> Yes	<u> </u> No
If yes, how many times during the past 12 months?	<u> 12 </u> Times		

- 10) Is the most recent 12 months' prior usage available to customers upon request?
- 11) The cost of a membership certificate is \$15.00

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

GENERAL INFORMATION (CONTINUED)

5. Give the name of the audit firm conducting this year's audit:
 Kem, Duguid & Associates
6. If water, gas, or other services are operated in connection with electric services, furnish the following information in connection with joint operations.

- (a) Indicate the joint operations with the Electric Utility:
- (b) Indicate the % of non-electric ownership of any jointly owned buildings:
- (c) Percentage of building space rented to others _____ %
- (d) Percentage of building space rented from others _____ %
- (e) 1) Date of last joint expense study: _____
- 2) Joint expense study was prepared by: _____ TVA _____ Distributor _____ Other
- 3) Indicate the amount of the unresolved annual inequity as reflected by the TVA study:
- 4) Give the current status of the latest joint expense study:

GOVERNING BOARD

DIRECTORS OR MEMBERS OF GOVERNING BOARD NAME AND PRINCIPAL OCCUPATION	TERM EXPIRES	AMOUNT PAID*	
		FEES	TRAVEL
BATES PAYNE, JR-BOARD MEMBER FARMER	07/31/2013	18,025.00	7,216.90
DR GEORGE BROWN-SEC/TREAS RETIRED VETERNARIAN	07/31/2015	18,300.00	10,631.94
DUANE MOORE-CHAIRMAN FARMER	07/31/2014	19,125.00	9,650.35
JAMES W. LEAR-BOARD MEMBER RETIRED FARMER	07/31/2015	17,200.00	9,395.23
JOE ROGERS-ASST. SEC/TREAS FARMER	07/31/2013	19,675.00	10,139.03
JAMES R. RILEY-BOARD MEMBER INSURANCE AGENT	07/31/2013	19,950.00	8,787.07
BRYSON PRICE-VICE CHAIRMAN FUNERAL HOME OWNER	07/31/2014	16,100.00	4,350.27
JAMES FUTRELL - BOARD MEMBER SELF-EMPLOYED	07/31/2014	19,400.00	10,427.16
Total		147,775.00	70,597.95

*Show total amounts paid from electric system funds for fiscal year.
 Method of determining amounts paid to board members is as follows:
 BOARD MEMBERS RECEIVE \$275.00 EACH MEETING PLUS .565 CENTS PER MILE.
 PAYNE, RILEY, AND ROGERS TERMS EXPIRE 07/31/2016 SINCE JULY 2, 2013 ANNUAL MEETING.

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

GENERAL INFORMATION (CONTINUED)	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
FEES - BOARD OF DIRECTORS	147,775.00
CONVENTION/TRAVEL/MEETINGS - BOARD OF DIRECTORS	70,597.95
INSURANCE	7,582.14
ANNUAL MEETING	45,282.80
KENTUCKY LIVING	203,545.53
PROPERTY TAX & INSURANCE	59,241.01
RURAL ELECTRIC RESOURCES	2,200.00
NRECA COOP.COM CARDS FOR NEW CUSTOMERS	596.46
HOPKINSVILLE CHAMBER OF COMMERCE	2,374.36
KENTUCKY CHAMBER OF COMMERCE	596.63
UTILITIES TELE COUNCIL	3,750.00
LBL	100.00
VOLUNTEER FIRE DEPARTMENTS	95.00
CHRISTIAN COUNTY AGRI-BUS ASSN	350.00
LOGAN COUNTY CHAMBER OF COMMERCE	788.60
TVA POWER DISTRIBUTORS	650.00
TVPPA	13,252.78
KENTUCKY COUNCIL OF COOPS	300.00
HOMEBUILDERS OF HOPKINSVILLE	200.00
HOPKINSVILLE-CHRISTIAN COUNTY BOARD OF REALTORS	125.00
LOGAN COUNTY HOMEBUILDERS	350.00
CHRISTIAN CO FARM BUREAU	50.00
TOUCHSTONE ENERGY	22,000.00
NRECA	49,142.14
KAEC	111,672.47
CHRISTIAN COUNTY FARMER	100.00
ADAIRVILLE CHAMBER OF COMMERCE	35.00
ADVERTISING - PROMOTIONAL (GIVEAWAYS, 75TH ANNIV)	28,786.52
ADVERTISING	99,703.45
PRECC BOARD MEETING EXPENSES	21,816.94
EAGLE AMBASSADOR	2,000.00
CADIZ-TRIGG COUNTY CHAMBER	470.00
KENTUCKY PUBLIC POWER ASSOCIATION	200.00
KENTUCKY ASSOC ECONOMIC DEV	150.00
ASSOCIATION OF THE UNITED STATES ARMY	405.00
KENTUCKY ROUNDTABLE UTILITY SAFETY	150.00
TOTAL	896,434.78

Pennyrile Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED * ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

PG 2 ITEM 55-NO LONGER COLLECT REFUND OR CONFISCATE CONSTRUCTION COSTS (ACCT 252)

PG 2 - RETAINED EARNINGS FOR BEGINNING OF YEAR ARE NOT THE SAME AS THE END OF LAST YEAR'S RETAINED EARNINGS DUE TO FASB 158 ADJUSTMENT.

PAGE 3 ITEM 92-DECREASE DUE TO DEPOSIT INTEREST RATE CHGD TO CALCULATE BASED ON CONSTANT MATURITY TREASURY RATE.

PAGE 5-A/C 908-INCREASE DUE TO CLASSIFICATION OF COMPREHENSIVE SERVICES PROGRAM FROM 912 PER TVA.

PAGE 5-A/C 916 ECON DEV FY13 EXP WERE MOVED TO ACCT 912 IN THE AMOUNT OF \$40,698.97.

PAGE 7 - CLASS OF SERVICE (RES) INCREASE DUE TO NEW RATE IMPLEMENTED CALLED SRB RATE FOR RESIDENTIAL APPURTENANCE.

PAGE 7 - ITEM 730 IS GREAT THAN ACCTS 587 & 598 DUE TO OTHER EXPENSES ON CUSTOMERS PREMISES IN ACCT 587.
 PAGE7 - ITEM 735 IS GREATER THAN ACCT 373 DUE TO SPECIAL EQ ITEMS THAT ARE INVESTMENTS BUT IN ACCTS 368 AND 370.

PAGE 9&10

A/C 355-CHANGED 8 TRANSMISSION POLES FOR MID VALLEY AND DANA

A/C 360-ADDITIONAL COSTS TO SALEM SUBSTATION LOT

A/C 362-ADDED SIX NEW BREAKERS AT GREEN HILLS SUBSTATION

A/C 364-MORE RELOCATION PROJECTS IN F/Y

A/C 367-DECREASE IN CONSTRUCTION DUE TO LARGE INCREASE IN F/Y 2012

A/C 370-PURCHASED 3,000 AMRS AND RETIRED 461.

A/C 373-LESS NEW CONSTRUCTION FOR SUBDIVISION STREET LIGHTING

A/C 391-PURCHASE OF DAYSVILLE OFFICE EQUIPMENT

A/C 392-DELAYED PURCHASE OF CONSTRUCTION VEHICLES THIS F/Y

A/C 394-RETIRED 2 CHIPPERS WITHOUT REPLACEMENT

A/C 395-METER TEST BOARD PURCHASED

A/C 397-FIBER OPTICS INSTALLATION, OUTAGE MANAGEMENT SYSTEM & DAYSVILLE PHONE SYSTEM

A/C 398-APPLIANCES FOR BREAKROOM & COMMUNITY CENTER @ DAYSVILLE

A/C 399-INSTALLED SOLAR PANELS @ DAYSVILLE

A/C 107-BALANCE CHANGE IS DUE TO CAPITALIZING DAYSVILLE OPERATIONS CENTER

PAGE 11

A/C 364-\$28,219.69 A/C 370-\$ 943.40

A/C 365-\$69,207.45 A/C 391-\$ 2,025.00 (TV, TRIMBLES)

A/C 368-\$29,429.37 A/C 392-\$140,000.00

A/C 369-\$17,220.29 A/C 394- 50,135.00 (CHIPPER & TRLS)

TOTAL-\$337,180.20

A/C 362-RETIRED 5 BREAKERS @ GREEN HILLS SUBSTATION

A/C 370-RETIREMENT OF METERS

A/C 390-REMOVAL COSTS FOR ELKTON & RUSSELLVILLE OFFICE UPGRADES

A/C 390-OTHER ENTRIES-CLEARED DEPRECIATION ACCRUAL FOR ELKTON WAREHOUSE STRUCTURES.

A/C 391-RETIRED OFFICE EQUIPMENT ELKTON & RUSSELLVILLE WAREHOUSES

A/C 394-REC'D SALVAGE FOR 2 CHIPPERS

PAGE 12

403 & 404 ACCRUAL \$5,733,744.14

184.01 ACCRUAL 542,338.85

\$6,276,082.99 CHECK 108 ACCRUAL

PAGE 13

BREAKDOWN ACCTS FOR PLANT PURCHASED OR SOLD

(SEE FORMS-TVA PAGE 13)

PAGE 16

A/C 143.03-DUE AFTER JUNE30-\$469,971.75 (KY DOT- ON GOING PROJECTS:\$0)

GENERAL INFORMATION (CONTINUED)

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS PAGE 3; ITEMS MARKED * ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

PAGE 18

NONREFUNDABLE CONTRIBUTIONS: \$1,607,349.91

PAGE 23 & 26 - INTEREST ACCRUED - COBANK; A LOAN AGREEMENT WAS ENTERED INTO WITH FTC FOR UTILITY ENERGY SERVICE CONTRACT (UESC) FY06. LONG TERM DEBT INTEREST AND PRINCIPAL IS BEING REPAYED TO COBANK THROUGH THIS LOAN. INTEREST JOURNAL ENTRIES ARE MADE EACH MONTH TO ACCRUE INTEREST (PAGE 2, ITEM 51) AND THEN IS BILLED TO FTC.

PG 26 ACCT 242 - EMPLOYEES ACCRD LEAVE (PAYROLL & VAC)-(\$467,240.32); METER BASE DEP-(\$1,923.50); COBANK INT. ACCRL-(\$108,064.77); WIRES OUTSIDE OF MONTH-(\$22,873.15); POLE RENTAL (\$30,838.81); AMSOUTH-(\$54,049.73); INSURANCE/FLEX SPD-(\$1,112,689.75); CLOTHING PURCH BY EMPLOYEE-\$519.78

PG 26 ACCT 253 - PREPAY RESERVE FEE-\$5,300; EMPLOYEE ACCT-\$895.84; TVA REEP-\$875.00; POLE RENTAL-\$57,621.06; MGMNT FEE FOR FTC/UESC-\$1,002,475.12,.

PG 29 KY TAXES ARE PAID ON A CALENDAR YEAR BASIS SO PAYMENTS AND ACCRUALS NEVER MATCH.

PG 3 ITEM 29 & PG 29-THE DISTRIBUTOR FOLLOWS FUNCTIONAL ACCOUNTING PROCEDURES BY ALLOCATING TAX EXPENSE TO THE INDIVIDUAL EXPENSE ACCOUNTS BASED ON THE PLANT INVESTMENT IN ACCTS 352 THRU 373 ON THEIR PLANT RECORDS. THE TRANSFER COLUMN ON PAGE 29 OF THE AR REFLECTS THIS PROCESS AND THEREFORE DOESN'T SHOW ANY TAX EXPENSES ON THE INCOME STATEMENT.

LOC-PRECC HAS AMENDMENT TO PROMISSORY NOTE WITH COBANK SIMILIAR TO REVOLVING CREDIT WITH RENEWAL OPTIONS.

CUSTOMER DEPOSITS - OWNER \$125; TENANT \$200.

CUSTOMER DEPOSITS ARE INCLUDED IN OUR CASH ACCOUNT AND NOT RESTRICTED.

Pennyrile Rural Electric Cooperative Corporation
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

KEY PERSONNEL		
KEY PERSONNEL	TITLE OR OCCUPATIONS	PERCENTAGE OF WAGES CHARGED TO THE ELECTRIC DEPARTMENT
ESTON GLOVER	PRESIDENT/CEO	100.00
SANDRA GROGAN	VICE PRESIDENT & CFO	100.00
JOHN WHEELER	VICE PRESIDENT ENGINEERING	100.00
MICHELE SMALL	VICE PRESIDENT HUMAN RESOURCES	100.00
FREDDIE POWELL	VICE PRESIDENT OPERATIONS	100.00
JANICE SHOLAR	PLANT ACCOUNTANT	100.00
DEBORAH PRITCHETT	MANAGER OF CUSTOMER ACCOUNTS AND SERVICE	100.00
BARNEY BISHOP	MANAGER KEY ACCTS	100.00
BRENT GILKEY	VICE PRESIDENT MEMBER SERVICES	100.00
STEVE WALTERS	DISTRICT MANAGER	100.00
RICKY TURNER	DISTRICT MANAGER	100.00
MARK WILKINS	DISTRICT MANAGER	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 116		

Pennyrite Rural Electric Cooperative Corporation
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

RETAINED EARNINGS ADJUSTMENT(S)		
Order	Amount	Description Reason
Total	\$0.00	

