

2010

Exhibit 28 - Smart - 3/17/2015

exhibits.com #891  
28 Exhibit  
3/17/15  
Smart

West Kentucky Rural Electric Cooperative Corporation

Name of Organization

1218 West Broadway Mayfield, KY 42066-0589

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)

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 Jack R. Clifford

Accountant in charge of books

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 David E. Smart

Manager

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 Date transmitted

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 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.

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>UTILITY PLANT</b>				
Electric Plant .....	10	1	131,801,830.37	130,695,880.83
Less Depreciation .....	10	2	32,460,075.87	32,941,696.51
<b>Total</b> .....	10	3	99,341,754.50	97,754,184.32
Unamortized acq. adj. ....	13	4		
Other utility plant - net .....	----	5		
<b>Total Plant - net</b> .....	----	6	99,341,754.50	97,754,184.32
<b>OTHER PROPERTY AND INVESTMENTS</b>				
Nonutility property - net .....	15	7	6,956.52	6,956.52
Other investments .....	14	8	1,973,626.30	1,890,011.63
Sinking funds .....	15	9		
Depreciation funds .....	15	10		
Other special funds .....	15	12	551,565.46	52,389.08
<b>Total</b> .....	----	13	2,532,148.28	1,949,357.23
<b>CURRENT AND ACCRUED ASSETS</b>				
General cash and temporary cash investments .....	14	14	6,084,792.70	1,317,315.86
Accounts receivable .....	16	15	7,424,367.67	17,402,613.40
Materials and supplies .....	17	16	1,366,122.29	1,977,032.09
Prepayments .....	17	17	351,752.86	243,023.76
Other current assets .....	17	18	260,503.65	227,399.23
<b>Total</b> .....	----	19	15,487,539.17	21,167,384.34
<b>DEFERRED DEBITS</b>				
Debt expense .....	17	20		
Preliminary survey .....	----	21		
Clearing accounts .....	----	22	8,950.03	2,318.51
Energy Service Loans Receivables .....	----	24	229,430.66	180,616.24
Deferred costs on TVA Leases .....	17	25		
Other deferred debits .....	17	26	39,664.78	52,763.58
<b>Total</b> .....	----	27	278,045.47	235,698.33
<b>TOTAL ASSETS AND OTHER DEBITS</b> .....	----	28	117,639,487.42	121,106,624.22

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

**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

PAGE 2

<b>BALANCE SHEET</b>				
LIABILITIES AND OTHER CREDITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>CAPITAL</b>				
Membership certificates .....	----	30	159,280.00	158,475.00
<b>EARNINGS REINVESTED IN SYSTEM ASSETS</b>				
Beginning of year .....	----	33	45,128,779.36	42,747,700.54
Current year .....	3	34	6,238,921.04	2,445,566.16
<b>Total</b> .....	----	35	51,367,700.40	45,193,266.70
<b>LONG-TERM DEBT</b>				
RUS .....	23	36	36,780,806.72	37,611,648.68
CFC .....	23	37	2,903,408.18	3,761,759.37
CoBank .....	23	38	5,095,752.57	
Bonds and other long-term debt .....	25	39.1		
TVA .....	25	39.3	4,301,734.55	4,543,341.75
Debt premium and discount .....	----	40		
<b>Total</b> .....	----	41	49,081,702.02	45,916,749.80
<b>OTHER NON-CURRENT LIABILITIES</b>				
Postretirement Benefits .....	25	39.2	935,760.81	950,611.28
Energy Service Loans - Advances .....	----	42	233,486.20	183,953.20
Energy Service Loans - Other .....	----	43		
<b>Total</b> .....	----	44	1,169,247.01	1,134,564.48
<b>CURRENT AND ACCRUED LIABILITIES</b>				
TVA notes payable .....	26	45.1		
Other notes payable .....	26	45.2		9,750,000.00
Accounts payable .....	26	46	9,840,456.54	5,620,485.01
Customer deposits .....	26	47	1,789,353.55	1,727,861.71
Taxes and equivalents accrued .....	29	48	403,405.65	387,407.82
Interest accrued - RUS .....	23	49		
Interest accrued - CFC .....	23	50	17,070.36	18,474.28
Interest accrued -CoBank .....	23	51		
Interest accrued -TVA .....	26	52.1	4,836.80	5,852.25
Interest accrued - other .....	26	52.2		440.65
Other current liabilities .....	26	53	2,434,917.31	9,286,625.39
<b>Total</b> .....	----	54	14,490,040.21	26,797,147.11
<b>DEFERRED CREDITS</b>				
Advances for construction - refundable .....	18	55	1,247,171.60	1,790,693.50
Other deferred credits .....	26	56	124,346.18	115,727.63
<b>Total</b> .....	----	57	1,371,517.78	1,906,421.13
<b>TOTAL LIABILITIES AND OTHER CREDITS</b> .....	----	58	117,639,487.42	121,106,624.22

**West Kentucky 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
<b>OPERATING REVENUE</b>				
Electric sales revenue (page 7, item 332).....	----	59	77,972,332.15	78,549,804.02
Revenue from late payments.....	----	60	645,324.78	631,523.45
Misc. service revenue.....	----	61	328,980.00	342,475.00
Rent from electric property.....	----	62	899,771.00	746,757.96
Other electric revenue.....	----	63	12,454.33	12,173.36
<b>Total operating revenue.....</b>	----	64	<b>79,858,862.26</b>	<b>80,282,733.79</b>
<b>PURCHASED POWER</b>				
<b>Total power cost (page 7, item 342).....</b>	7	65	<b>51,930,709.15</b>	<b>55,779,496.37</b>
<b>OPERATION EXPENSE</b>				
Transmission expense.....	5	66		
Distribution expense.....	5	67	2,875,223.47	2,234,864.72
Customer accounts expense.....	5	68	2,432,491.24	2,465,667.59
Customer service and informational expense.....	5	69	25,606.81	28,296.40
Sales expense.....	5	70	169,353.13	142,432.76
Administrative and general expense.....	6	71	1,953,487.02	1,818,178.09
<b>Operation expense.....</b>	6	72	<b>7,456,161.67</b>	<b>6,689,439.56</b>
<b>MAINTENANCE EXPENSE</b>				
Transmission expense.....	6	73	8,168.43	
Distribution expense.....	6	74	5,698,478.08	6,970,777.73
Administrative and general expense.....	6	75	132,671.12	69,327.95
<b>Maintenance expense.....</b>	6	76	<b>5,839,317.63</b>	<b>7,040,105.68</b>
<b>OTHER OPERATING EXPENSE</b>				
Depreciation expense.....	12	77	3,993,868.50	3,900,440.29
Amortization of acquisition adjustment.....	13	78		
Taxes and tax equivalents.....	29	79	2,258,749.97	2,279,675.15
<b>Other operating expense.....</b>	----	80	<b>6,252,618.47</b>	<b>6,180,115.44</b>
<b>TOTAL OPERATING EXPENSE AND PURCHASED POWER..</b>	----	81	<b>71,478,806.92</b>	<b>75,689,157.05</b>
<b>INCOME</b>				
Operating income (item 64, less item 81).....	----	82	8,380,055.34	4,593,576.74
Other income.....	16	83	229,890.71	216,752.59
<b>Total income.....</b>	----	84	<b>8,609,946.05</b>	<b>4,810,329.33</b>
Miscellaneous income deductions.....	16	85	46,015.45	45,826.98
<b>Net income before debt expense.....</b>	----	86	<b>8,563,930.60</b>	<b>4,764,502.35</b>
<b>DEBT EXPENSE</b>				
Interest on long-term debt - RUS.....	23	87	1,802,170.56	1,813,149.57
Interest on long-term debt - CFC.....	23	88	206,868.36	248,368.55
Interest on long-term debt - CoBank.....	23	89	151,248.67	
Interest on long-term debt - other.....	26	90.1		
Interest - TVA.....	26	90.2	25,059.10	67,544.91
Other interest expense.....	----	92	139,662.87	189,873.16
Amortization of debt discount and expense.....	----	93		
Amortization of premium on debt - credit.....	----	94		
<b>Total debt expense.....</b>	----	95	<b>2,325,009.56</b>	<b>2,318,936.19</b>
<b>NET INCOME</b>				
Net income before extraordinary items (item 86, less item 95).....	----	96	6,238,921.04	2,445,566.16
Extraordinary items.....	33	97		
<b>Net Income.....</b>	2	98	<b>6,238,921.04</b>	<b>2,445,566.16</b>

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<b>STATEMENT OF CASH FLOWS</b>		
Increase (Decrease) in Cash and Cash Equivalents		
	THIS YEAR	LAST YEAR
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Net Income .....	6,238,921.04	2,445,566.16
<b>Adjustments to Reconcile Net Income to Net Cash:</b>		
Depreciation .....	4,231,984.63	4,146,976.02
<b>Amortization of:</b>		
Acquisition Adjustment .....		
Additions to TVA Leases .....		
Debt Premium or Discount .....		
(Gain) or Loss on Sale of Plant .....		
<b>Changes in Current and Deferred Items:</b>		
Accounts Receivable .....	9,978,245.73	(10,892,907.53)
Materials and Supplies .....	610,909.80	(1,058,455.08)
Prepayments and Other Current Assets .....	(141,833.52)	15,432.57
Deferred Debits .....	6,467.28	16,318.48
Accounts Payable .....	4,219,971.53	56,402.05
Customer Deposits .....	61,491.84	401,926.29
Taxes and Interest Accrued .....	13,137.81	(31,941.28)
Other Current Liabilities .....	(6,851,708.08)	5,421,395.28
Deferred Credits .....	(534,903.35)	(23,490.53)
Other: .....	(64,487.34)	(4,021,139.18)
<b>Net Cash Provided by (Used in) Operating Activities .....</b>	<b>17,768,197.37</b>	<b>(3,523,916.75)</b>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Additions to Plant .....	(4,854,194.02)	(9,819,127.63)
Removal Cost .....	(1,183,000.99)	(549,877.63)
Salvage .....	217,640.20	62,831.57
Net Change in Other Property and Investment .....	(582,791.05)	2,477,480.33
Energy Service Loans Receivable .....	(48,814.42)	(17,720.18)
Plant Sold (Purchased) - Noninstallment Method .....		
Deferred Costs on TVA Leases (excluding amortization) .....		
Other: .....		
<b>Net Cash Provided by (Used in) Investing Activities .....</b>	<b>(6,451,160.28)</b>	<b>(7,846,413.54)</b>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Additional Long-Term Borrowings .....	7,300,000.00	2,500,000.00
Payment of Principal on Long-Term Debt .....	(4,135,047.78)	(1,883,475.47)
Notes Payable .....	(9,750,000.00)	9,750,000.00
Memberships .....	805.00	325.00
Energy Service Loans Advances .....	49,533.00	16,552.96
Receipt for Plant Sold - Installment Method .....		
Payment for Plant Purchased - Installment Method .....		
Other: .....	(14,850.47)	23,674.60
<b>Net Cash Provided by (Used in) Financing Activities .....</b>	<b>(6,549,560.25)</b>	<b>10,407,077.09</b>
<b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS ..</b>	<b>4,767,476.84</b>	<b>(963,253.20)</b>
CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR .....	1,317,315.86	2,280,569.06
CASH AND TEMPORARY INVESTMENTS END OF YEAR .....	6,084,792.70	1,317,315.86

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.

# West Kentucky 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
<b>OPERATING EXPENSE</b>					
<b>1. TRANSMISSION</b>					
560	Supervision and engineering. . . . .				
561	Load dispatching. . . . .				
562	Station expense. . . . .				
563	Overhead line expense. . . . .				
564	Underground line expense. . . . .				
566	Miscellaneous. . . . .				
567	Rents. . . . .				
(600)	<b>Total transmission operating expense (page 3, item 66).</b>				
<b>2. DISTRIBUTION</b>					
580	Supervision and engineering. . . . .	54,670.70	40,677.80	24,968.17	17,772.54
581	Load dispatching. . . . .				
582	Station expense. . . . .	140,191.12	114,916.69	18,279.19	12,691.42
583	Overhead line expense. . . . .	1,527,702.54	901,960.13	462,695.70	(149,819.62)
584	Underground line expense. . . . .	68,958.61	97,130.60	17,143.60	26,017.62
585	Street lighting and signal system expense. . . . .	6,627.63	5,164.86	3,025.47	1,707.49
586	Meter expense. . . . .	455,681.24	517,787.79	66,530.92	94,992.97
587	Customer installation expense. . . . .	328,628.74	317,362.33	148,983.70	132,280.68
588	Miscellaneous. . . . .	242,304.54	196,173.30	83,774.43	62,077.32
589	Rents. . . . .	50,458.35	43,691.22		
(605)	<b>Total distribution operating expense (page 3, item 67).</b>	<b>2,875,223.47</b>	<b>2,234,864.72</b>	<b>825,401.18</b>	<b>197,720.42</b>
<b>3. CUSTOMER ACCOUNTS EXPENSE</b>					
901	Supervision. . . . .	193,159.85	194,799.19	110,879.12	105,773.55
902	Meter reading expense. . . . .	414,580.03	406,410.33	6,874.26	4,119.46
903	Customer records and collection expense. . . . .	1,697,105.08	1,668,233.27	699,258.69	660,001.45
904	Uncollectible accounts. . . . .	126,469.37	195,123.17		
905	Miscellaneous. . . . .	1,176.91	1,101.63		
(610)	<b>Total customer accounts expense (page 3, item 68).</b>	<b>2,432,491.24</b>	<b>2,465,667.59</b>	<b>817,012.07</b>	<b>769,894.46</b>
<b>4. CUSTOMER SERVICES &amp; INFORMATIONAL EXPENSE</b>					
907	Supervision. . . . .				
908	Customer assistance expense. . . . .	5,501.81	10,178.85	2,987.31	5,645.47
909	Informational and instructional advertising expense. . . . .	19,763.04	17,805.43	6,852.62	5,248.37
910	Miscellaneous customer service and informational expense. . . . .	341.96	312.12		
(615)	<b>Total customer services and informational expense (page 3, item 69).</b>	<b>25,606.81</b>	<b>28,296.40</b>	<b>9,839.93</b>	<b>10,893.84</b>
<b>5. SALES EXPENSE</b>					
911	Supervision. . . . .				
912	Demonstrating and selling expense. . . . .	144,505.11	118,780.56	70,762.79	48,107.31
913	Advertising expense. . . . .	24,372.45	23,340.08	6,392.78	5,000.33
916	Miscellaneous. . . . .	475.57	312.12		
(620)	<b>Total sales expense (page 3, item 70).</b>	<b>169,353.13</b>	<b>142,432.76</b>	<b>77,155.57</b>	<b>53,107.64</b>

# West Kentucky 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
<b>6. ADMINISTRATIVE &amp; GENERAL</b>					
920	Administrative and general salaries. ....	1,177,340.83	1,097,396.51	681,246.43	598,493.74
921	Office supplies and expense. ....	208,546.25	173,482.91		
922	Administrative expense transferred - credit*. ....				
923	Outside services employed. ....	103,134.45	43,918.54		
924	Property insurance. ....				
925	Injuries and damages. ....		3,775.88		
926	Employee pensions and benefits. ....				
927	Franchise requirements*. ....				
928	Regulatory commission expense*. ....				
929	Duplicate charges - credit. ....	(14,899.88)	(12,299.45)		
930	Miscellaneous general expense. ....	466,563.37	498,847.70	28,658.19	34,380.94
931	Rents. ....	12,802.00	13,056.00		
(625)	<b>Total administrative and general expense (page 3, item 71). ...</b>	<b>1,953,487.02</b>	<b>1,818,178.09</b>	<b>709,904.62</b>	<b>632,874.68</b>
(630)	<b>Total operating expense (Page 3 Item 72). ....</b>	<b>7,456,161.67</b>	<b>6,689,439.56</b>	<b>2,439,313.37</b>	<b>1,664,491.04</b>
<b>MAINTENANCE EXPENSE</b>					
<b>1. TRANSMISSION</b>					
568	Supervision and engineering. ....				
569	Maintenance of structures. ....				
570	Maintenance of station equipment. ....				
571	Maintenance of overhead lines. ....	8,168.43		3,091.78	
572	Maintenance of underground lines. ....				
573	Miscellaneous. ....				
(635)	<b>Total transmission maintenance expense (page 3, item 73). ...</b>	<b>8,168.43</b>		<b>3,091.78</b>	
<b>2. DISTRIBUTION</b>					
590	Supervision and engineering. ....	39,365.77	35,850.15	21,519.78	17,717.81
591	Maintenance of structures. ....				
592	Maintenance of station equipment. ....	275,456.99	365,754.38	87,155.53	72,017.86
593	Maintenance of overhead lines. ....	4,827,794.99	6,103,368.47	1,051,947.12	1,868,697.38
594	Maintenance of underground lines. ....	4,341.51	2,067.64	2,145.12	150.78
595	Maintenance of line transformers. ....	181,076.14	153,345.82	83,197.68	66,872.78
596	Street lighting and signal systems. ....	8,108.20	6,057.27	4,388.93	2,480.88
597	Maintenance of meters. ....	156,038.44	146,321.64	87,023.32	78,811.91
598	Maintenance of miscellaneous distribution plant. ....	206,296.04	158,012.36	98,732.12	58,006.18
(640)	<b>Total distribution maintenance expense (page 3, item 74). ....</b>	<b>5,698,478.08</b>	<b>6,970,777.73</b>	<b>1,436,109.60</b>	<b>2,164,755.58</b>
<b>3. ADMINISTRATIVE &amp; GENERAL</b>					
935	Maintenance of general plant (page 3, items 75). ....	132,671.12	69,327.95	4,312.02	350.78
(645)	<b>Total maintenance expense (page 3, item 76). ....</b>	<b>5,839,317.63</b>	<b>7,040,105.68</b>	<b>1,443,513.40</b>	<b>2,165,106.36</b>
(650)	<b>Total operating and maintenance expense. ....</b>	<b>13,295,479.30</b>	<b>13,729,545.24</b>	<b>3,882,826.77</b>	<b>3,829,597.40</b>
(655)	Total direct and indirect payroll charged to construction and retirements. ....			1,196,002.73	1,660,573.53
(660)	Payroll charged to other accounts. ....			90,483.21	71,624.68
(662)	Fiscal year net change in accrued leave account - (increase) decrease. ....			8,425.43	96,762.68
(665)	<b>Total payroll distribution for year. ....</b>			<b>5,177,738.14</b>	<b>5,658,558.29</b>

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



**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**STATISTICAL DATA**

CLASS OF SERVICE	ITEM NO	REVENUE		ITEM NO	KILOWATT-HOURS SOLD	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Residential. . . . .	100	52,020,986.41	51,746,791.61	107	475,533,158	455,724,949
Gen. Power - 50 kW & under. . . . .	101	9,858,493.12	9,452,435.37	108	71,742,009	68,352,346
Gen. Power - Over 50 kW. . . . .	102	14,616,207.34	15,741,472.40	109	166,070,998	164,549,624
Street and athletic. . . . .	103	156,938.45	178,134.24	110	1,732,093	1,759,513
Outdoor lighting. . . . .	104	1,319,706.83	1,430,970.40	111	10,420,119	10,415,788
<b>Subtotal. . . . .</b>	<b>330</b>	<b>77,972,332.15</b>	<b>78,549,804.02</b>			
Unbilled revenue*. . . . .	331					
<b>Total (page 3, item 59). . . . .</b>	<b>332</b>	<b>77,972,332.15</b>	<b>78,549,804.02</b>	<b>335</b>	<b>725,498,377</b>	<b>700,802,220</b>
Kilowatt-hours for own use. . . . .				113	168,933	159,184
<b>Total kilowatt-hours sold and used. . . . .</b>				<b>114</b>	<b>725,667,310</b>	<b>700,961,404</b>
Kilowatt-hours in unbilled revenue (items 331) above* . . . . .	336					

STATE	SALES TAX
KY	1,108,798.91
<b>Total</b>	<b>1,108,798.91</b>

**TO ABOVE CLASSES OF REVENUE**

	CREDITS	GREEN POWER REVENUE
Residential. . . . .		
Gen. Power - 50 kW & under. . . . .		
Gen. Power - Over 50kW. . . . .	712.80	

**PURCHASED POWER**

TVA	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Purchased Power. . . . .	115	51,575,176.39	55,406,115.53	119	791,010,538	754,498,823
Facilities Rental. . . . .	116	355,532.76	373,380.84			
Other Charges/Credits. . . . .	117					
<b>Total from TVA. . . . .</b>	<b>118</b>	<b>51,930,709.15</b>	<b>55,779,496.37</b>	<b>122</b>	<b>791,010,538</b>	<b>754,498,823</b>
Other Purchased Power**. . . . .	218			222		
<b>Subtotal. . . . .</b>	<b>340</b>	<b>51,930,709.15</b>	<b>55,779,496.37</b>			
Unbilled Purchases*. . . . .	341					
<b>Total (page 3, item 65). . . . .</b>	<b>342</b>	<b>51,930,709.15</b>	<b>55,779,496.37</b>	<b>345</b>	<b>791,010,538</b>	<b>754,498,823</b>
Less kilowatt hours sold and used (item 114). . . . .				123	725,667,310	700,961,404
Line losses and kilowatt-hours unaccounted for. . . . .				124	65,343,228	53,537,419
Percent of losses to purchases (2 decimal places). . . . .				125	8.26	7.10
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)	30,520	30,528	Pole Line Miles: (2 decimal places). (715)	3,156.08	3,144.88
Gen. Power - 50 kW & under. . . (680)	7,244	7,264	Individual Outdoor Lts.		
Gen. Power - Over 50 kW. . . . (685)	333	316	No. in plant. . . . . (720)	15,344	15,446
Street and athletic. . . . . (690)	87	86	Total investment. . . . . (725)	4,475,978.37	4,329,863.17
Outdoor Lighting - Excl. Code 77. . . . . (693)			O&M expense. . . . . (730)	235,074.84	198,585.24
<b>Total. . . . . (695)</b>	<b>38,184</b>	<b>38,194</b>	St. Ltg-Invest. Base. . . . (735)	327,459.49	319,449.09
Outdoor Lighting - Code 77. . . . (697)	10,130	10,056	O&M expense. . . . . (740)	14,735.83	11,222.13
			Lamps & Glassware. . . . . (745)		297.51

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

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<b>MODIFIED STREET LIGHTING COMPUTATION</b>				
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	
Benton				
Hardin				
Cambridge Shores				
Calvert City				
Hazel				
Calloway County Board of Education				
Murray				
Graves County Board of Education				
Wingo				
Milburn				
Arlington				
Kentucky Dept of Highways				
Water Valley				
Kentucky Dam Village Estates				
City of Mayfield				
TOTAL:				

**West Kentucky Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**ELECTRIC PLANT**

ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS DEBIT	CREDIT	BALANCE END OF YEAR
<b>INTANGIBLE</b>							
301	Organization.....						
302	Franchises and consents.....						
303	Miscellaneous.....						
(750)	<b>Total intangible.....</b>						
<b>PRODUCTION</b>							
755	<b>Total production.....</b>						
<b>TRANSMISSION</b>							
350	Land and land rights.....						
351	Clearing land and rights of way.....						
352	Structures and improvements.....	23,768.73					23,768.73
353	Station equipment.....	113,478.96					113,478.96
354	Towers and fixtures.....	60,798.45					60,798.45
355	Poles and fixtures.....	232,868.10	65,860.52	10,507.50			288,221.12
356	Overhead conductors and devices.....	119,105.10	23,121.07				142,226.17
357	Underground conduit.....						
358	Underground conductors and devices.....						
359	Roads and trails.....						
(760)	<b>Total transmission.....</b>	<b>550,019.34</b>	<b>88,981.59</b>	<b>10,507.50</b>			<b>628,493.43</b>
<b>DISTRIBUTION</b>							
360	Land and land rights.....	195,943.79	9,313.00				205,256.79
361	Structures and improvements.....	421,818.22					421,818.22
362	Station equipment.....	8,843,294.23	1,657,365.81				10,500,660.04
363	Storage battery equipment.....						
364	Poles, towers, and fixtures.....	47,723,283.09	4,710,848.67	1,685,502.00			50,748,629.76
365	Overhead conductors and devices.....	15,413,866.45	575,179.01	300,048.96			15,688,996.50
366	Underground conduit.....	3,122,620.71	188,351.67	3,724.00			3,307,248.38
367	Underground conductors and devices.....	3,144,809.26	99,609.90	4,924.04			3,239,495.12
368	Line transformers.....	24,495,278.88	536,561.27	676,178.24			24,355,661.91
369	Services.....	5,400,535.00	229,023.58	78,198.00			5,551,360.58
370	Meters.....	3,655,658.04	184,731.56	114,613.90			3,725,775.70
371	Inst. on customers' premises.....	4,332,383.86	395,667.79	249,552.59			4,478,499.06
372	Leased prop. on cust. premises.....	33,239.00					33,239.00
373	St. lighting and signal systems.....	319,449.09	9,020.23	1,009.83			327,459.49
(765)	<b>Total distribution.....</b>	<b>117,102,179.62</b>	<b>8,595,672.49</b>	<b>3,113,751.56</b>			<b>122,584,100.55</b>

## West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

### ELECTRIC PLANT

ACCT. NO.		BALANCE			RECLASSIFICATIONS		BALANCE END OF YEAR
		BEG. OF YEAR	ADDITIONS	RETIREMENTS	DEBIT	CREDIT	
	<b>GENERAL</b>						
389	Land and land rights. . . . .	116,104.45					116,104.45
390	Structures and improvements. . . . .	2,190,919.09	9,889.90				2,200,808.99
391	Office furniture and equipment. . . . .	742,798.38	45,853.81	8,562.04			780,090.15
392	Transportation equipment. . . . .	2,758,696.38	737,782.53	511,220.75			2,985,258.16
393	Stores equipment. . . . .	27,719.92	28,439.26	23,397.38			32,761.80
394	Tools, shop, and garage equip. . . . .	426,776.11	49,129.37	2,384.60			473,520.88
395	Laboratory equipment. . . . .	193,274.53	926.39				194,200.92
396	Power operated equipment. . . . .						
397	Communication equipment. . . . .	479,482.01	19,582.44	78,420.65			420,643.80
398	Miscellaneous equipment. . . . .	79,912.58					79,912.58
399	Other tangible property. . . . .						
(770)	<b>Total general. . . . .</b>	<b>7,015,683.45</b>	<b>891,603.70</b>	<b>623,985.42</b>			<b>7,283,301.73</b>
101	<b>Total plant in service. . . . .</b>	<b>124,667,882.41</b>	<b>9,576,257.78</b>	<b>3,748,244.48</b>			<b>130,495,895.71</b>
102	Electric plant purchased or sold. . . . .						
104	Electric plant leased to others. . . . .						
105	Electric plant for future use. . . . .	251,539.23					251,539.23
107	Construction work in progress. . . . .	5,776,459.19	(4,722,063.76)				1,054,395.43
(775)	<b>Total other electric plant. . . . .</b>	<b>6,027,998.42</b>	<b>(4,722,063.76)</b>				<b>1,305,934.66</b>
(780)	<b>Total electric plant (page 1, item 1). . . . .</b>	<b>130,695,880.83</b>	<b>4,854,194.02</b> (Item 140)	<b>3,748,244.48</b>			<b>131,801,830.37</b>
	<b>RESERVES</b>						
108	Accumulated provision for depreciation of electric plant in service. . . . .					32,460,075.87	
109	Accumulated provision for depreciation of electric plant leased to others. . . . .						
110	Accumulated provision for depreciation of electric plant held for future use. . . . .						
	<b>Total accumulated provision for depreciation (page 1, item 2 and page 11). . . . .</b>					<b>32,460,075.87</b>	
	<b>Total electric plant, less accumulated provision for depreciation (page 1, item 3). . . . .</b>						<b>99,341,754.50</b>

**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:**

## West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

PAGE 11

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	3.00	19,963.80	713.04						20,676.84	87
353	3.00	104,627.89	3,404.40						108,032.29	95
354	3.00	19,117.34	1,824.00						20,941.34	34
355	3.00	103,502.51	7,692.80	10,507.50	2,611.63				98,076.18	34
356	3.00	86,031.11	3,862.17						89,893.28	63
357										
358										
359										
<b>(785) TOTAL</b>		<b>333,242.65</b>	<b>17,496.41</b>	<b>10,507.50</b>	<b>2,611.63</b>				<b>337,619.93</b>	<b>54</b>
360	4.23	78,186.62	5,337.96						83,524.58	41
361	3.00	409,301.37	334.08						409,635.45	97
362	3.00	4,158,015.10	246,556.99						4,404,572.09	42
363										
364	3.00	4,459,379.06	1,448,971.50	1,685,502.00	789,431.71	19,502.47			3,452,919.32	7
365	2.75	3,688,466.71	426,945.75	300,048.96	102,016.04	1,823.30			3,715,170.76	24
366	4.00	674,641.63	129,645.08	3,724.00	141.25	127.96			800,549.42	24
367	4.00	988,018.80	128,581.95	4,924.04	3,204.00	644.64			1,109,117.35	34
368	3.00	9,280,034.02	730,920.53	676,178.24	30,299.01	52,730.03			9,357,207.33	38
369	6.00	2,435,318.29	329,513.80	78,198.00	68,448.17	1,288.44			2,619,474.36	47
370	2.50	597,138.87	91,192.40	114,613.90		53.00			573,770.37	15
371	5.00	1,027,410.48	218,347.33	249,552.59	186,440.41	42,214.53			851,979.34	19
372	5.00	14,857.32	1,561.44						16,418.76	49
373	4.00	143,188.33	13,050.96	1,009.83	408.77				154,820.69	47
<b>(790) TOTAL</b>		<b>27,953,956.60</b>	<b>3,770,959.77</b>	<b>3,113,751.56</b>	<b>1,180,389.36</b>	<b>118,384.37</b>			<b>27,549,159.82</b>	<b>22</b>
389										
390	2.5-5	1,108,474.03	59,412.28						1,167,886.31	53
391	4/10	552,447.30	66,647.19	8,562.04					610,532.45	78
392	Var	1,668,470.80	238,116.13	511,220.75		95,255.83			1,490,622.01	50
393		25,606.82		23,397.38		2,500.00			4,709.44	14
394	8.00	339,124.55	35,510.71	2,384.60		1,500.00			373,750.66	79
395	8.00	193,274.53	926.39						194,200.92	100
396										
397	8.00	450,392.84	34,924.47	78,420.65					406,896.66	97
398	8.00	71,342.43	7,991.28						79,333.71	99
399										
<b>(795) TOTAL</b>		<b>4,409,133.30</b>	<b>443,528.45</b>	<b>623,985.42</b>		<b>99,255.83</b>			<b>4,327,932.16</b>	<b>59</b>
<b>(800) OTHER</b>		<b>245,363.96</b>							<b>245,363.96</b>	<b>19</b>
<b>(805) TOTALS</b>		<b>32,941,696.51</b>	<b>4,231,984.63</b>	<b>3,748,244.48</b>	<b>1,183,000.99</b>	<b>217,640.20</b>			<b>32,460,075.87</b>	<b>25</b>

(Item 142)

(Item 138)

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

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<b>ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED</b>		
Depreciation expense (403 and 404) (page 3, item 77) . . . . .	(810)	3,993,868.50
Depreciation charged to transportation expense - clearing . . . . .	(815)	238,116.13
Depreciation charged to building expense - clearing . . . . .	(820)	
Depreciation charged to other accounts (list each account number) . . . . .	(825)	
	(830)	
	(835)	
	(840)	
<b>Total accrual (page 11) . . . . .</b>	<b>(Item 128)</b>	<b>4,231,984.63</b>

Explanations (continue on page 33 if necessary)

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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

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

**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

<b>INVESTMENTS IN ASSOCIATED COMPANIES</b> (Report only the investments not considered as current assets)			
<b>OTHER INVESTMENTS - GENERAL FUNDS</b>			
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
Stockholder Loan - CSA	43,822.18	2,155.01	
Pat. Capital-CFC,WKRTCC, UUS, KAEC, FEDERATED, COBANK	532,036.20	141,670.50	
Capital Term Certificates - NRUCFC	1,395,767.92	64,203.85	
Membership - NRUCFC, COBANK	2,000.00		
Subtotal	1,973,626.30	208,029.36	
	(page 1, item 8)	(account 419, page 16)	
<b>INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS</b>			
(Investments included in Accounts 125, 126, and 128 - page 15)			
NRUCFC - Medical Self Insurance / Property Tax / Building Fund	500,000.00	3.77	
Employee Savings Fund	51,565.46		
Subtotal	551,565.46	3.77	
	(page 15)	(account 419, page 16)	
<b>CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS</b>			
(Report only investments considered as current assets)			
NRUCFC Commercial Paper	3,416,891.23	4,307.41	
Total Temporary Cash Investments	3,416,891.23	4,307.41	
CASH (Accounts 131 - 135)	2,667,901.47	9,443.04	
Subtotal	6,084,792.70	13,750.45	
	(page 1, item 14)	(account 419, page 16)	
Grand Total	8,609,984.46	221,783.58	



## West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	SPECIAL FUNDS				TOTAL OF ALL SPECIAL FUNDS
	ACCOUNT 125 TOTAL SINKING FUNDS	ACCOUNT 126 DEPRECIATION FUNDS	ACCOUNT 128 CONSTRUCTION FUNDS	TOTAL OTHER SPECIAL FUNDS	
Cash included in fund end of year. . . . .				551,565.46	551,565.46
Investments in fund end of year (page 14). . . . .					
Balance of fund end of year (page 1). . . . .				551,565.46	551,565.46
Minimum balance required*. . . . .	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)		
Authority creating fund**					

\* Explain difference if fund balance is less than minimum required.  
 \*\* State whether fund is required by bond contract, board action, etc.  
 Total Sinking

Depreciation

Construction

Other  
N/A

Note: Report all debt service funds as sinking funds.  
 Report all funds for renewals and replacements as depreciation funds.

### NONUTILITY PROPERTY (Account 121)

	DESCRIPTION AND LOCATION OF PROPERTY	DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
House and Lot	1220 West Broadway, Mayfield, KY	12/1/1952	22,447.85	
Total. . . . .			22,447.85	
Less accumulated provision for depreciation (account 122). . . . .			15,491.33	
Total net of depreciation (page 1, item 7). . . . .			6,956.52	(page 16)

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	OTHER INCOME	
415	Revenue from merchandising, jobbing, etc. ....	17,391.70
416	Cost and expense of merchandising, etc. ....	(9,284.57)
417*	Income from nonutility operations - net of expense. ....	
418	Nonoperating rental income - net of expense (page 15). ....	
419	Interest and dividend income (page 14). ....	221,783.58
419.1	Interest charged to construction. ....	
421*	Misc. nonoperating income - net of expense. ....	
(845)	<b>Total other income (page 3, item 83). ....</b>	<b>229,890.71</b>

\*Explain these items briefly:                      417    421

ACCT. NO.	MISCELLANEOUS INCOME DEDUCTIONS	
425*	Miscellaneous amortization. ....	
426*	Miscellaneous income deductions. ....	46,015.45
(850)	<b>Total misc. income deductions (page 3, item 85). ....</b>	<b>46,015.45</b>

\*Explain these items briefly:                      425    426  
 Donated labor, transportation, overheads; Washington Youth Tour; Senior scholarships; Donation of electric grills and smokers for charity auctions; American Cancer Society; Cash donations for local schools activities.

**INVESTMENT PROCEDURES**

Are investments in excess of \$100,000 secured?     Yes     No    If yes, how?  
 Excess cash is invested in NRUCFC Commercial Paper which is rated P-1 by Moody's Investor Service, A-1 by Standard & Poor's, and F1 by Fitch Ratings. Cash in banks is secured by FDIC.

ACCT. NO.	RECEIVABLES	
141	Notes receivable (Explain on page 33). ....	
142	Customer accounts receivable. ....	7,042,410.04
143	Other accounts receivable. ....	501,727.72
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due). ....	
	<b>Total. ....</b>	<b>7,544,137.76</b>
144	Accumulated provision for uncollectible accounts. ....	119,770.09
	Accounts receivable net of reserve (page 1, item 15). ....	7,424,367.67

**AGE OF RECEIVABLES AT JUNE 30**

	ACCOUNT 141	ACCOUNT 142	ACCOUNT 143	ACCOUNT 146
Accounts with credit balances. ....				
Due after June 30. ....				
From 1 to 30 days past due. ....				
From 31 to 60 days past due. ....				
From 61 to 90 days past due. ....				
Over 90 days past due. ....				
<b>Totals (as above). ....</b>				

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

ACCT. NO.	MATERIALS AND SUPPLIES	
154	Plant materials and operating supplies .....	1,457,818.03
155	Merchandise .....	4,265.39
156	Other materials and supplies .....	(95,961.13)
163	Stores expense undistributed .....	
(855)	<b>Total materials and supplies (page 1, item 16) .....</b>	<b>1,366,122.29</b>
Give dates of physical inventories this year: <u>05/27/2010</u>		
Total of adjustments: \$ <u>54,622.81</u> over, or \$ _____ short		
<b>PREPAYMENTS - Account No. 165</b>		
	Prepaid insurance .....	213,609.37
	Prepaid employee pension plan .....	
	Prepaid taxes (page 29) .....	4,908.19
	Prepaid rents .....	
	Other prepayments .....	133,235.30
	<b>Total prepayments (page 1, item 17) .....</b>	<b>351,752.86</b>
ACCT. NO.	OTHER CURRENT ASSETS	
171	Interest and dividends receivable .....	23,003.12
172	Rents receivable .....	237,500.53
173	Accrued utility revenue .....	
174	Miscellaneous current and accrued assets .....	
	<b>Total other current assets (page 1, item 18) .....</b>	<b>260,503.65</b>
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	
	<b>Total as above</b>	
186	Miscellaneous deferred debits (page 1, item 26)	39,664.78
List of Items:		
	Receivables from plant sales (item 148)	
	Other items (list):	
	Advances for Construction Receivable	3,894.57
	Deferred Dispatching System Software Costs	35,770.21
	<b>Total as above</b>	<b>39,664.78</b>



**West Kentucky 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	CoBank Emergency Line of Credit		NCSC - TVA SUPPLEMENTAL LOAN		NRUCFC Revolving Line of Credit	
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						
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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.

**West Kentucky 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	0/0				
NAME OF ISSUE 200	POST RETIREMENT BENEFITS				
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					
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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.

# West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF LONG-TERM DEBT - RUS																		
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	INTEREST	DEFERRED INTEREST									
01-B270	5/14/1983	5.00	35	05/1986	770,000.00		31,542.84	16,782.36		318,395.05								
02-B272	5/14/1983	5.00	35	05/1986	770,000.00		31,542.84	16,782.36		318,395.05								
03-B281	10/26/1986	5.00	35	08/1990	1,092,000.00		38,731.65	30,719.55		593,187.83								
04-B283	10/26/1986	5.00	35	08/1990	1,092,000.00		38,731.65	30,719.55		593,187.83								
05-B290	2/27/1995	5.00	35	03/1996	2,534,000.00		60,714.95	96,494.41		1,896,559.32								
06-B291	4/10/1995	5.00	35	03/1996	427,500.00		10,243.07	16,279.09		319,958.98								
07-B295	10/23/1995	5.00	35	03/1996	995,000.00		23,840.31	37,889.49		744,702.68								
08-B297	5/20/1996	5.00	35	03/1998	1,966,500.00		48,148.13	76,921.27		1,511,993.30								
09-B300	7/21/1999	5.00	35	02/2001	2,000,000.00		37,528.91	86,551.09		1,710,369.32								
10-B301	3/1/2000	5.00	35	02/2001	2,400,000.00		45,034.70	103,861.30		2,052,443.11								
11-B302	7/6/2000	5.00	35	02/2001	2,200,000.00		41,281.81	95,206.19		1,881,406.21								
12-B303	11/2/2000	5.00	35	02/2001	1,600,000.00		30,023.13	69,240.87		1,368,295.40								
13-B304	4/1/2002	5.00	35	05/2002	2,959,000.00		56,255.92	130,161.08		2,572,262.51								
14-B310	9/23/2004	5.00	35	10/2004	3,000,000.00		51,054.13	138,305.87		2,737,982.49								
15-B311	3/24/2005	5.00	35	04/2005	3,000,000.00		51,598.43	139,201.57		2,755,597.74								
16-B320	2/17/2006	4.57	35	06/2007	3,000,000.00		44,128.95	132,271.05		2,870,007.03								
17-B321	11/16/2006	4.68	35	06/2007	2,000,000.00		28,915.68	90,364.32		1,914,911.60								
18-B322	3/14/2007	4.70	35	06/2007	2,800,000.00		40,250.06	127,077.94		2,681,580.98								
19-B323	11/1/2007	4.68	35	11/2007	3,200,000.00		46,240.91	145,375.09		3,080,797.02								
20-B324	5/13/2008	4.58	35	06/2007	2,500,000.00		36,787.00	113,213.00		2,424,918.51								
21-B325	9/24/2008	4.42	35	10/2008	2,500,000.00		38,246.89	108,753.11		2,433,854.76								
22-				/														
23-				/														
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33-				/														
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35-				/														
36-				/														
37-				/														
38-				/														
39-				/														
40-				/														
<b>(860) Total.....</b>					<b>42,806,000.00</b>		<b>830,841.96</b>	<b>1,802,170.56</b>		<b>36,780,806.72</b>								
List Note Numbers Paid Monthly:					B270	B272	B281	B283	B290	B291	B295	B297	B300	B301	B302	B303	B304	B310

\*EXCLUDING CUSHION OF CREDIT.

**West Kentucky 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 REPAYED THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-9005	1/17/1975	6.25	CFC	35	479,000.00		28,732.04	876.03		B230/32	30.00
02-9007	3/26/1976	6.30	CFC	35	319,000.00		22,901.02	2,396.08	24,377.97	B240/42	20.00
03-9009	7/8/1979	6.40	CFC	35	758,000.00		50,327.96	9,872.80	125,631.09	B250/52	20.00
04-9013	8/13/1980	6.50	CFC	35	2,120,000.00		115,900.67	49,669.02	706,100.29	B260/62	30.00
05-9016	5/14/1982	6.60	CFC	35	695,000.00		30,626.40	22,788.86	332,653.43	B270/72	30.00
06-9017	10/26/1986	6.65	CFC	35	936,000.00		32,484.11	37,868.32	559,887.42	B281/83	30.00
07-9019007	8/29/2003	4.80	CFC	7	577,378.99		577,378.99	26,774.57			
08-9019008	8/29/2003	5.05	CFC	8	577,378.99			28,435.91	577,378.99		
09-9019009	8/29/2003	5.25	CFC	9	577,378.99			29,590.69	577,378.99		
10-002349882	10/1/2009	2.97	COBANK	2	3,500,000.00		1,288,228.85	67,472.01	2,211,771.15		
11-002349917	10/1/2009	3.21	COBANK	3	3,800,000.00		916,018.58	83,776.66	2,883,981.42		
12-											
13-											
14-											
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39-											
40-											
41-											
<b>(865) Total.....</b>					<b>14,339,136.97</b>		<b>3,062,598.62</b>	<b>359,520.95</b>	<b>7,999,160.75</b>		



**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

LONG-TERM DEBT - RUS		
ACCT.	PRINCIPAL DATA	AMOUNT
224.1	Long-term debt - RUS .....	36,780,806.72
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 .....	
	Net balance due RUS as above (page 2, item 36) .....	36,780,806.72
	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="830,841.96"/>
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) .....	1,802,170.56
	Repayments this year .....	1,802,170.56
	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 .....	2,903,408.18
223.61	Patronage capital certificates - debit .....	
223.62	Deferred patronage dividends - credit .....	
	Net CFC account (account 223) (page 2, item 37) .....	2,903,408.18
	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" value="858,351.19"/>
INTEREST ACCRUED - CFC (Account 237.2)		
		AMOUNT
	Balance beginning of year (matured \$.00) .....	18,474.28
	Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary) .....	206,868.36
	Repayments this year .....	208,272.28
	Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary) .....	17,070.36
LONG-TERM DEBT - COBANK		
ACCT.	PRINCIPAL DATA	AMOUNT
229.10	Long Term Debt - CoBank - credit .....	5,095,752.57
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) .....	5,095,752.57
	Amount received on allotment this year .....	(Item 136) <input type="text" value="7,300,000.00"/>
	Repayments this year .....	(Item 145) <input type="text" value="2,204,247.43"/>
INTEREST ACCRUED - COBANK (Account 237.6)		
		AMOUNT
	Balance beginning of year (matured \$.00) .....	
	Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary) .....	151,248.67
	Repayments this year .....	151,248.67
	Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary) .....	

**West Kentucky 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: POST RETIREMENT BENEFITS  
 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. . . . .	950,611.28	Accrued beginning of year. . . . .	
Issued during year. . . . .	285,811.92	Accrued during year (427.3). . . . .	
Total. . . . .	1,236,423.20	Total. . . . .	
Bonds retired this year. . . . .	300,662.39	Payments during year. . . . .	
Balance end of year. . . . .	935,760.81	Balance end of Year. . . . .	
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .	935,760.81	Balance less matured (237.3). . . . .	

Name of issue: NCSC - TVA SUPPLEMENTAL LOAN  
 Date of issue: 06/30/1995 Amount of original issue: \$ 7,539,000.00  
 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: 2\15 Quarterly Principal due dates: 2\15 Quarterly Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: TVA - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \$2,500,000 direct financing loan. Remainder supplemental to RUS loans.

Conditions under which bonds may be called:  
Due in full within one year of submitting notice of cancellation of power contract with TVA.

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

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. . . . .	4,543,341.75	Accrued beginning of year. . . . .	5,852.25
Issued during year. . . . .		Accrued during year (427.3). . . . .	25,059.10
Total. . . . .	4,543,341.75	Total. . . . .	30,911.35
Bonds retired this year. . . . .	241,607.20	Payments during year. . . . .	26,074.55
Balance end of year. . . . .	4,301,734.55	Balance end of Year. . . . .	4,836.80
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .	4,301,734.55	Balance less matured (237.3). . . . .	4,836.80

**West Kentucky 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: NRUCFC Revolving Line of Credit  
 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: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: Revolving line of credit in the amount of \$4,000,000.00.

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. . . . .	440.65
Issued during year. . . . .	7,504,076.34	Accrued during year (427.3). . . . .	2,326.87
Total. . . . .	7,504,076.34	Total. . . . .	2,767.52
Bonds retired this year. . . . .	7,504,076.34	Payments during year. . . . .	2,767.52
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). . . . .	

Name of issue: CoBank Emergency Line of Credit  
 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: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: Emergency line of credit issued for ice storm recovery costs

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. . . . .	9,750,000.00	Accrued beginning of year. . . . .	
Issued during year. . . . .		Accrued during year (427.3). . . . .	90,782.22
Total. . . . .	9,750,000.00	Total. . . . .	90,782.22
Bonds retired this year. . . . .	9,750,000.00	Payments during year. . . . .	90,782.22
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). . . . .	

**West Kentucky 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: \_\_\_\_\_  
 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. ....				950,611.28	4,543,341.75
Issued during year. .... (Item 137)				285,811.92	
Total. ....				1,236,423.20	4,543,341.75
Bonds retired this year. .... (Item 146)				300,662.39	241,607.20
Balance end of year. ....				935,760.81	4,301,734.55
Including matured of (239). .... (Item 147)					
Balance less matured (221). ....				935,760.81	4,301,734.55

(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. ....	5,852.25
Accrued during year (427.3) (page 26). ....	25,059.10
Total. ....	30,911.35
Payments during year. ....	26,074.55
Balance end of year. ....	4,836.80
Including matured of (240). ....	
Balance less matured (237.3) (page 26). ....	4,836.80

\*Less TVA Long-term Debt and Postretirement Benefits

**West Kentucky 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. . . . .		9,750,000.00		Accrued beginning of year. . . . .		440.65				
New notes issued during year. . . . .		7,504,076.34		Accrued during year (as below). . . . .		93,109.09				
<b>Total. . . . .</b>		<b>17,254,076.34</b>		<b>Total. . . . .</b>		<b>93,549.74</b>				
Notes retired this year. . . . .		17,254,076.34		Payments during year. . . . .		93,549.74				
<b>Balance end of year. . . . .</b>				<b>Balance end of year (as below). . . . .</b>						
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. . . . .										7,860.00
Balance customer deposits end of year (Account 235). . . . .										1,781,493.55
<b>Total customer deposits (page 2, item 47). . . . .</b>										<b>1,789,353.55</b>
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	17,070.36	427.2	3	88	206,868.36
224	RUS	23	237.1	2	49		427.1	3	87	1,802,170.56
229	CoBank	23	237.6	2	51		427.4	3	89	151,248.67
228	TVA long term	25	237.3	2	52.1	4,836.80	427.3	3	90.2	25,059.10
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	
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	93,109.09
235	Customer Deposits	Above	235	Above	---		431	3	92	46,553.78
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year. . . . .						<b>21,907.16</b>	Net expense for year. . . . .		<b>2,325,009.56</b>	
Total item 49 (page 2) . . . . .							Total item 87 (page 3). . . . .		1,802,170.56	
Total item 50 (page 2) . . . . .						17,070.36	Total item 88 (page 3). . . . .		206,868.36	
Total item 51 (page 2) . . . . .							Total item 89 (page 3). . . . .		151,248.67	
Total item 52.1 (page 2) . . . . .						4,836.80	Total item 90.1 (page 3). . . . .			
Total item 52.2 (page 2) . . . . .							Total item 90.2 (page 3). . . . .		25,059.10	
							Total item 92 (page 3). . . . .		139,662.87	
ACCOUNTS PAYABLE										
232	Accounts payable - general (includes \$8,541,601.19 to TVA for purchased power and Fac.Rental). . . . .									9,840,456.54
232	Accrued purchased power. . . . .									
233	Accounts payable - spec. const. . . . .									
234	Payable to municipal - utility revenue. . . . .									
234	Other payables to municipality. . . . .									
<b>Total accounts payable - general (page 2, item 46). . . . .</b>										<b>9,840,456.54</b>
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. . . . .									23,496.56
242	Miscellaneous - accrued insurance. . . . .									877.62
242	Miscellaneous - employees' accrued leave. . . . .									1,176,697.67
242	Miscellaneous - other. . . . .									1,233,845.46
<b>Total other current and accrued liabilities (page 2, item 53). . . . .</b>										<b>2,434,917.31</b>
OTHER DEFERRED CREDITS (Account 253)										
Payables for plant purchases; (item 149) . . . . .										124,346.18
Other items (List): Budget Billing Differences. . . . .										
<b>Total other deferred credits (page 2, item 56) . . . . .</b>										<b>124,346.18</b>
<b>Total other deferred credits (page 2, item 56) . . . . .</b>										<b>124,346.18</b>



**West Kentucky 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="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							
1/1/2009 12/31/2009	State of Kentucky - Real Estate				1,314,495.00	.1220	1,603.68	801.84
1/1/2009 12/31/2009	State of Kentucky - Tangible				63,019,745.00	.4500	283,588.86	141,794.43
1/1/2009 12/31/2009	State of Kentucky - Manufacturing Machinery				15,509,613.00	.1500	23,264.42	11,632.21
1/1/2009 12/31/2009	Calloway County - Real Estate				89,920.00	.6370	349.06	174.55
1/1/2009 12/31/2009	Calloway County - Tangible				21,623,829.00	.6747	144,910.75	72,455.39
1/1/2009 12/31/2009	Carlisle County - Real Estate				2,135.00	.7440	15.89	7.96
1/1/2009 12/31/2009	Carlisle County - Tangible				3,636,181.00	.7376	26,820.47	13,410.25
1/1/2009 12/31/2009	Graves County - Real Estate				1,204,015.00	.1990	2,395.99	1,198.01
1/1/2009 12/31/2009	Graves County - Tangible				22,567,636.00	.2471	55,764.63	27,882.32
1/1/2009 12/31/2009	Graves County Schools - Real Estate				1,177,055.00	.3530	4,155.00	2,077.50
1/1/2009 12/31/2009	Graves County Schools - Tangible				22,334,451.00	.3530	78,840.61	39,420.31
1/1/2009 12/31/2009	Hickman County - Tangible				496,803.00	.6865	3,410.56	1,705.28
1/1/2009 12/31/2009	Livingston County - Tangible				46,363.00	.7094	328.90	164.47
1/1/2009 12/31/2009	Marshall County - Real Estate				18,425.00	.7850	144.64	72.33
1/1/2009 12/31/2009	Marshall County - Tangible				14,648,933.00	.8932	130,711.70	65,355.86
1/1/2009 12/31/2009	Marshall County Fire Districts (All) - Tangible				1,562,558.00	.7905	12,352.03	6,176.02
1/1/2009 12/31/2009	City of Arlington - Tangible				87,801.00	.3910	343.30	171.65
1/1/2009 12/31/2009	City of Benton - Tangible				94,992.00	.2100	199.48	99.74
1/1/2009 12/31/2009	City of Calvert City - Tangible				138,099.00	.3250	448.82	224.41
1/1/2009 12/31/2009	City of Hardin - Tangible				225,150.00	.1560	351.23	175.62
1/1/2009 12/31/2009	City of Hazel - Tangible				76,507.00	.5000	382.54	191.27
1/1/2009 12/31/2009	City of Mayfield - Real Estate				26,960.00	.9830	265.02	132.51
1/1/2009 12/31/2009	City of Mayfield - Tangible				233,185.00	.9830	2,292.21	1,146.11
1/1/2009 12/31/2009	City of Murray - Tangible & Real Estate				375,120.00	.3985	1,488.73	744.38
1/1/2009 12/31/2009	City of Murray Schools - Tangible & Real Estate				255,425.00	.5100	1,302.67	651.34
1/1/2009 12/31/2009	City of Wingo - Tangible				171,019.00	.5300	906.40	453.21
7/1/2009 6/30/2010	Underaccrual FY 2009							1,008.32
1/1/2010 12/31/2010	Estimated State							154,228.48
1/1/2010 12/31/2010	Estimated Counties							230,100.12
1/1/2010 12/31/2010	Estimated Cities							3,990.20
1/1/2009 12/31/2009	State of Kentucky - Tangible Vehicle Tax				939,308.00	.4500	4,226.93	2,113.46
1/1/2009 12/31/2009	Graves County - Tangible Vehicle Tax				931,783.00	.1910	1,794.14	897.06
1/1/2009 12/31/2009	Graves County Schools - Tangible Vehicle Tax				931,783.00	.4640	4,323.50	2,161.77
1/1/2009 12/31/2009	City of Mayfield - Tangible Vehicle Tax				7,525.00	1.0290	77.43	38.71
1/1/2010 12/31/2010	State of Kentucky - Tangible Vehicle Tax				859,487.00	.4500	3,867.74	1,933.87
1/1/2010 12/31/2010	Graves County - Tangible Vehicle Tax				859,487.00	.1910	1,641.70	820.85
1/1/2010 12/31/2010	Graves County Schools - Tangible Vehicle Tax				859,487.00	.4640	3,988.00	2,153.48
1/1/2010 12/31/2010	City of Mayfield - Tangible Vehicle Tax							
7/1/2009 6/30/2010	Total Tax Expense							787,765.29

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.

## West Kentucky 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 AMOUNT	BALANCE END OF YEAR
GRAVES			5,948.65	01/01/2010	12/31/2009	408.1	2,974.33	2,974.32
GRAVES		3,058.83		01/01/2010	12/31/2010	408.1	3,058.83	
MAYFIELD				01/01/2009	12/31/2009	408.1		
MAYFIELD		38.71		01/01/2010	12/31/2010	408.1	38.71	
KY			3,867.74	01/01/2009	12/31/2009	408.1	1,933.87	1,933.87
KY		2,113.46		01/01/2010	12/31/2010	408.1	2,113.46	
<b>Total</b>		5,211.00	9,816.39				10,119.20 (Add below)	4,908.19 (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 .....	87,310.30	776,637.59		777,646.09	88,318.80
408.2	U.S. Social Security - unemployment .....	97.52	5,218.32		5,179.81	59.01
408.3	U.S. Social Security - FICA .....		385,073.83		399,981.35	14,907.52
408.4	State Social Security - unemployment .....		7,292.58		7,412.90	120.32
408.5	Gross receipts - state .....					
408.6	Income - state .....					
408.7	Other: (list below) .....					
408.7	Gross Receipts License Tax for Schools		2,258,749.97	2,258,749.97		
408.7	Reallocation of Prepaid Vehicle Taxes			(10,119.20)	10,119.20	
<b>Total .....</b>		387,407.82	3,432,972.29	2,248,630.77	1,200,339.35	403,405.65
(885)	Tax expense from the writeoff of prepaid privilege taxes (as above) .....			10,119.20		(page 2, item 48)
(890)	<b>Total tax expense for the year (page 3, item 79) .....</b>			<b>2,258,749.97</b>		

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".



**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**GENERAL INFORMATION**

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)
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.  
 RURAL ELECTRIFICATION ACT OF 1936
- (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? Y  
 If so, give name. If not, give the type in-house hardware. Central Service Association, Tupelo, MS, on-line

(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  
 Owner without Electric Heat  
 Tenant with Electric Heat \$175.00  
 Tenant without Electric Heat \$175.00  
 Other (describe) 2 months average bill for businesses.

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?      Yes      N      No  
 Credited on customer's power bill annually?      Yes      N      No  
 Credited to a deposit account annually?      Yes      N      No  
 Handled differently (Explain)  
Applied to final bill or refunded if credit balance.

7) Are prior written notice and due process afforded to customers before termination for nonpayment?  
 Prior written notice?      Y Yes      No  
 Due process?      Y Yes      No

8) Is information about policies and rates available upon request and application for service?  
 Upon request?      Y Yes      No  
 Upon application for service?      Y Yes      No

9) Are the media used to inform customers about policies and rates?  
 Policies?      Y Yes      No  
 If yes, how many times during the past 12 months?      4 Times  
 Rates?      Y Yes      No  
 If yes, how many times during the past 12 months?      4 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      \$5.00

**West Kentucky 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:  
 Alexander Thompson Arnold, LLC, Union City, TN

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
JAMIE POTTS, PRESIDENT	AGRICULTURE	07/01/2010	8,450.00	7,829.29
CHAD WILLETT, VICE-PRESIDENT	REAL ESTATE	07/01/2013	8,250.00	4,159.09
CAROLYN WOOD,	RETIRED	07/01/2011	7,700.00	1,548.39
DENNIS BARNES	FACTORY	07/01/2012	1,500.00	402.60
RALPH EDRINGTON	AGRICULTURE	07/01/2012	2,100.00	2,619.69
TROY ENGLISH	SALES	07/01/2013	2,500.00	5,019.81
BOB HARGROVE	BANKING	07/01/2013	7,100.00	445.80
TED LOVETT	MAINTENANCE	07/01/2011	6,600.00	1,688.39
ROBERT SPALDING	CONSTRUCTION	07/01/2010	2,100.00	1,699.39
Total . . . . .			46,300.00	25,412.45

\*Show total amounts paid from electric system funds for fiscal year.  
 Method of determining amounts paid to board members is as follows:  
 Board members elected prior to 07/05 receive \$100 per each meeting plus medical insurance. Members elected after 07/05 receive \$400 for each regular board meeting and no medical insurance and \$100 per other meeting days. Term for board members elected after July 2006 will be four years.

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<b>GENERAL INFORMATION (CONTINUED)</b>	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
General Advertising Expense	125,045.89
Association Dues, Chambers of Commerce	142,773.90
Directors Fees	46,300.00
Directors Travel, Meetings and Mileage	25,412.45
Directors Meeting Registration	5,516.75
Directors Insurance	51,582.00
Annual Meeting	44,946.58
Newsletters	2,325.96
Employee Dinners	5,247.72
Directors' Miscellaneous - meals, publications, travel & accident insurance	2,035.68
Miscellaneous	803.00
Property Insurance Allocation	4,097.99
Property Tax Allocation	2,752.49
Directors' Liability Insurance	7,722.96
TOTAL	466,563.37

**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 14; Page 2, Item 46; Page 26, Acct 232: In anticipation of a new wholesale and retail rate structure during April 2010 WKRECC requested that TVA move their wholesale meter reading date from April 24th to May. This resulted in a change in the due date of the wholesale power bill which moved the due date into the following month. Accounts payable at June 30, 2010 includes purchased power for the months of May and June. This also resulted in a corresponding increase in cash since the May power bill is still outstanding.

Page 1, Item 15: Decrease from last fiscal year is due to receiving \$9.8M payment from FEMA for FY 2009 ice storm damages and recovery. This amount was included in misc. accounts receivable at 06/30/09.

Page 2, Item 33: Beginning balance this year is different from ending balance last year due to adjustments made last year's adoption of SFAS 158.

Page 2, Item 53; Page 26, Misc - other current liabilities: Decrease due to payment to NRECA pension plan during FY 2010.

Page 3, Item 62: Increase due to increase in pole attachment rates.

Page 4, operating activities-other: change in prior year retained earnings.

Page 4, financing activities-other: change in accrued post retirement benefits.

Page 5, Account 583: Increase is due to installation of transformers when closing workorders. Prior year had \$2M credit for transformers purchased during ice storm.

Page 6, Account 923: Increase due to legal fees associated with territorial boundary lawsuit.

Page 6, Account 593: Decrease from last FY due to expense associated with ice storm recovery efforts during FY 2009.

Page 6, Account 935: Increase is due to painting warehouse and above ground fuel storage tanks.

Page 7: Inverse relationship between revenue and power cost vs. retail and wholesale kWh is due to reductions in fuel cost adjustments during FY 2010.

Page 7: Increase in line loss percentage is due to extreme hot weather during May and June, 2010.

Page 9, Account 362: Closed Walker substation to plant.

Pages 9 and 11, Accounts 364, 365, 368, 371: Increase due to closing work orders from FY 2009 ice storm. There was an associated decrease in account 107 - CWIP.

Page 11, Accounts 391, 397: There was no salvage associated with retirements. Items were junked.

Page 11, Account 395: Depreciation has been discontinued.

Page 11, Accounts 353, 361, 397, 398: Will monitor depreciation accrual during FY 2011.

Page 18, Customer advances for construction: Reviewed and confiscated several advances for which workorders had already been closed.

**West Kentucky 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
David E. Smart	President, CEO	100.00
Ron N. Mays	V.P. Finance & Administration	100.00
Jack R. Clifford	Financial Officer/Accounting Manager	100.00
Anita Weatherly	Plant Accounting Supervisor	100.00
Julie Pittman	Member Billing Supervisor	100.00
Jamie Sears	Communications Director	100.00
Tim Vied	Manager of Engineering Services	100.00
Johnny Jackson	Operations Manager	100.00
Jimmy Greer	Construction & Maintenance Supervisor	100.00
Kim Grogan	Director of Safety	100.00
Jerry Wise	Right-of-Way Foreman	100.00
Roger Gough	Technology Coordinator	100.00
Marcia Pritchett	Human Resources Coordinator	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 86		

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

RETAINED EARNINGS ADJUSTMENT(S)		
Order	Amount	Description Reason
Total	\$0.00	

011

West Kentucky Rural Electric Cooperative Corporation

\_\_\_\_\_  
Name of Organization

1218 West Broadway Mayfield, KY 42066-0589

\_\_\_\_\_  
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)

\_\_\_\_\_  
Jack R. Clifford  
Accountant in charge of books

\_\_\_\_\_  
David E. Smart  
Manager

08/03/2011

\_\_\_\_\_  
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.



**West Kentucky Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>UTILITY PLANT</b>				
Electric Plant .....	10	1	137,039,725.58	131,801,830.37
Less Depreciation .....	10	2	34,407,132.57	32,460,075.87
<b>Total</b> .....	10	3	102,632,593.01	99,341,754.50
Unamortized acq. adj. ....	13	4		
Other utility plant - net. ....	----	5		
<b>Total Plant - net</b> .....	----	6	102,632,593.01	99,341,754.50
<b>OTHER PROPERTY AND INVESTMENTS</b>				
Nonutility property - net. ....	15	7	6,956.52	6,956.52
Other investments .....	14	8	2,042,889.83	1,973,626.30
Sinking funds .....	15	9		
Depreciation funds .....	15	10		
Other special funds .....	15	12	54,911.74	551,565.46
<b>Total</b> .....	----	13	2,104,758.09	2,532,148.28
<b>CURRENT AND ACCRUED ASSETS</b>				
General cash and temporary cash investments .....	14	14	7,418,118.57	6,084,792.70
Accounts receivable .....	16	15	7,576,071.92	7,424,367.67
Materials and supplies .....	17	16	1,310,578.50	1,366,122.29
Prepayments .....	17	17	305,123.01	351,752.86
Other current assets .....	17	18	296,798.05	260,503.65
<b>Total</b> .....	----	19	16,906,690.05	15,487,539.17
<b>DEFERRED DEBITS</b>				
Debt expense .....	17	20		
Preliminary survey .....	----	21		
Clearing accounts .....	----	22	10,519.51	8,950.03
Energy Service Loans Receivables .....	----	24	241,143.51	229,430.66
Deferred costs on TVA Leases .....	17	25		
Other deferred debits .....	17	26	35,949.20	39,664.78
<b>Total</b> .....	----	27	287,612.22	278,045.47
<b>TOTAL ASSETS AND OTHER DEBITS</b> .....	----	28	121,931,653.37	117,639,487.42
<b>LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER</b>				

**West Kentucky 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
<b>CAPITAL</b>				
Membership certificates.....	----	30	160,095.00	159,280.00
<b>EARNINGS REINVESTED IN SYSTEM ASSETS</b>				
Beginning of year.....	----	33	51,367,700.40	45,128,779.36
Current year.....	3	34	8,366,844.39	6,238,921.04
<b>Total</b> .....	----	35	59,734,544.79	51,367,700.40
<b>LONG-TERM DEBT</b>				
RUS.....	23	36	20,546,132.34	36,780,806.72
CFC.....	23	37	2,057,007.20	2,903,408.18
CoBank.....	23	38	17,350,046.01	5,095,752.57
Bonds and other long-term debt.....	25	39.1		
TVA.....	25	39.3	4,060,127.35	4,301,734.55
Debt premium and discount.....	----	40		
<b>Total</b> .....	----	41	44,013,312.90	49,081,702.02
<b>OTHER NON-CURRENT LIABILITIES</b>				
Postretirement Benefits.....	25	39.2	953,109.93	935,760.81
Energy Service Loans - Advances.....	----	42	245,311.55	233,486.20
Energy Service Loans - Other.....	----	43		
<b>Total</b> .....	----	44	1,198,421.48	1,169,247.01
<b>CURRENT AND ACCRUED LIABILITIES</b>				
TVA notes payable.....	26	45.1		
Other notes payable.....	26	45.2		
Accounts payable.....	26	46	11,635,513.58	9,840,456.54
Customer deposits.....	26	47	1,848,875.67	1,789,353.55
Taxes and equivalents accrued.....	29	48	406,998.66	403,405.65
Interest accrued - RUS.....	23	49		
Interest accrued - CFC.....	23	50	10,590.72	17,070.36
Interest accrued -CoBank.....	23	51		
Interest accrued -TVA.....	26	52.1	4,987.88	4,836.80
Interest accrued - other.....	26	52.2		
Other current liabilities.....	26	53	1,479,769.04	2,434,917.31
<b>Total</b> .....	----	54	15,386,735.55	14,490,040.21
<b>DEFERRED CREDITS</b>				
Advances for construction - refundable.....	18	55	1,214,854.45	1,247,171.60
Other deferred credits.....	26	56	223,689.20	124,346.18
<b>Total</b> .....	----	57	1,438,543.65	1,371,517.78
<b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>	----	58	<b>121,931,653.37</b>	<b>117,639,487.42</b>

**West Kentucky 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
<b>OPERATING REVENUE</b>				
Electric sales revenue (page 7, item 332) . . . . .	----	59	87,104,140.89	77,972,332.15
Revenue from late payments . . . . .	----	60	745,051.63	645,324.78
Misc. service revenue . . . . .	----	61	324,885.50	328,980.00
Rent from electric property . . . . .	----	62	1,093,904.64	899,771.00
Other electric revenue . . . . .	----	63	11,663.21	12,454.33
<b>Total operating revenue . . . . .</b>	----	64	<b>89,279,645.87</b>	<b>79,858,862.26</b>
<b>PURCHASED POWER</b>				
<b>Total power cost (page 7, item 342) . . . . .</b>	7	65	<b>58,427,954.72</b>	<b>51,930,709.15</b>
<b>OPERATION EXPENSE</b>				
Transmission expense . . . . .	5	66		
Distribution expense . . . . .	5	67	2,825,839.92	2,875,223.47
Customer accounts expense . . . . .	5	68	2,563,788.58	2,432,491.24
Customer service and informational expense . . . . .	5	69	16,846.99	25,606.81
Sales expense . . . . .	5	70	176,182.35	169,353.13
Administrative and general expense . . . . .	6	71	1,969,884.50	1,953,487.02
<b>Operation expense . . . . .</b>	6	72	<b>7,552,542.34</b>	<b>7,456,161.67</b>
<b>MAINTENANCE EXPENSE</b>				
Transmission expense . . . . .	6	73	109.37	8,168.43
Distribution expense . . . . .	6	74	6,252,614.39	5,698,478.08
Administrative and general expense . . . . .	6	75	96,275.86	132,671.12
<b>Maintenance expense . . . . .</b>	6	76	<b>6,348,999.62</b>	<b>5,839,317.63</b>
<b>OTHER OPERATING EXPENSE</b>				
Depreciation expense . . . . .	12	77	4,189,280.57	3,993,868.50
Amortization of acquisition adjustment . . . . .	13	78		
Taxes and tax equivalents . . . . .	29	79	2,523,992.59	2,258,749.97
<b>Other operating expense . . . . .</b>	----	80	<b>6,713,273.16</b>	<b>6,252,618.47</b>
<b>TOTAL OPERATING EXPENSE AND PURCHASED POWER . . . . .</b>	----	81	<b>79,042,769.84</b>	<b>71,478,806.92</b>
<b>INCOME</b>				
Operating income (item 64, less item 81) . . . . .	----	82	10,236,876.03	8,380,055.34
Other income . . . . .	16	83	227,175.26	229,890.71
<b>Total income . . . . .</b>	----	84	<b>10,464,051.29</b>	<b>8,609,946.05</b>
Miscellaneous income deductions . . . . .	16	85	38,026.43	46,015.45
<b>Net income before debt expense . . . . .</b>	----	86	<b>10,426,024.86</b>	<b>8,563,930.60</b>
<b>DEBT EXPENSE</b>				
Interest on long-term debt - RUS . . . . .	23	87	1,255,553.35	1,802,170.56
Interest on long-term debt - CFC . . . . .	23	88	157,377.34	206,868.36
Interest on long-term debt - CoBank . . . . .	23	89	564,705.79	151,248.67
Interest on long-term debt - other . . . . .	26	90.1		
Interest - TVA . . . . .	26	90.2	25,516.58	25,059.10
Other interest expense . . . . .	----	92	56,027.41	139,662.87
Amortization of debt discount and expense . . . . .	----	93		
Amortization of premium on debt - credit . . . . .	----	94		
<b>Total debt expense . . . . .</b>	----	95	<b>2,059,180.47</b>	<b>2,325,009.56</b>
<b>NET INCOME</b>				
Net income before extraordinary items (item 86, less item 95) . . . . .	----	96	8,366,844.39	6,238,921.04
Extraordinary items . . . . .	33	97		
<b>Net Income . . . . .</b>	2	98	<b>8,366,844.39</b>	<b>6,238,921.04</b>

<b>STATEMENT OF CASH FLOWS</b>		
Increase (Decrease) in Cash and Cash Equivalents		
	THIS YEAR	LAST YEAR
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Net Income . . . . .	8,366,844.39	6,238,921.04
<b>Adjustments to Reconcile Net Income to Net Cash:</b>		
Depreciation . . . . .	4,461,342.61	4,231,984.63
<b>Amortization of:</b>		
Acquisition Adjustment . . . . .		
Additions to TVA Leases . . . . .		
Debt Premium or Discount . . . . .		
(Gain) or Loss on Sale of Plant . . . . .		
<b>Changes in Current and Deferred Items:</b>		
Accounts Receivable . . . . .	(151,704.25)	9,978,245.73
Materials and Supplies . . . . .	55,543.79	610,909.80
Prepayments and Other Current Assets . . . . .	10,335.45	(141,833.52)
Deferred Debits . . . . .	2,146.10	6,467.28
Accounts Payable . . . . .	1,795,057.04	4,219,971.53
Customer Deposits . . . . .	59,522.12	61,491.84
Taxes and Interest Accrued . . . . .	(2,735.55)	13,137.81
Other Current Liabilities . . . . .	(955,148.27)	(6,851,708.08)
Deferred Credits . . . . .	67,025.87	(534,903.35)
Other: . . . . .		(64,487.34)
<b>Net Cash Provided by (Used in) Operating Activities . . . . .</b>	<b>13,708,229.30</b>	<b>17,768,197.37</b>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Additions to Plant . . . . .	(7,207,878.16)	(4,854,194.02)
Removal Cost . . . . .	(758,571.84)	(1,183,000.99)
Salvage . . . . .	129,268.88	217,640.20
Net Change in Other Property and Investment . . . . .	427,390.19	(582,791.05)
Energy Service Loans Receivable . . . . .	(11,712.85)	(48,814.42)
Plant Sold (Purchased) - Noninstallment Method . . . . .	85,000.00	
Deferred Costs on TVA Leases (excluding amortization) . . . . .		
Other: . . . . .		
<b>Net Cash Provided by (Used in) Investing Activities . . . . .</b>	<b>(7,336,503.78)</b>	<b>(6,451,160.28)</b>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Additional Long-Term Borrowings . . . . .	15,713,949.26	7,300,000.00
Payment of Principal on Long-Term Debt . . . . .	(20,782,338.38)	(4,135,047.78)
Notes Payable . . . . .		(9,750,000.00)
Memberships . . . . .	815.00	805.00
Energy Service Loans Advances . . . . .	11,825.35	49,533.00
Receipt for Plant Sold - Installment Method . . . . .		
Payment for Plant Purchased - Installment Method . . . . .		
Other: . . . . .	17,349.12	(14,850.47)
<b>Net Cash Provided by (Used in) Financing Activities . . . . .</b>	<b>(5,038,399.65)</b>	<b>(6,549,560.25)</b>
<b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS . . . . .</b>	<b>1,333,325.87</b>	<b>4,767,476.84</b>
<b>CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR . . . . .</b>	<b>6,084,792.70</b>	<b>1,317,315.86</b>
<b>CASH AND TEMPORARY INVESTMENTS END OF YEAR . . . . .</b>	<b>7,418,118.57</b>	<b>6,084,792.70</b>

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.

# West Kentucky 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
<b>OPERATING EXPENSE</b>					
<b>1. TRANSMISSION</b>					
560	Supervision and engineering. ....				
561	Load dispatching. ....				
562	Station expense. ....				
563	Overhead line expense. ....				
564	Underground line expense. ....				
566	Miscellaneous. ....				
567	Rents. ....				
(600)	<b>Total transmission operating expense (page 3, item 66).</b>				
<b>2. DISTRIBUTION</b>					
580	Supervision and engineering. ....	47,133.66	54,670.70	21,999.53	24,968.17
581	Load dispatching. ....				
582	Station expense. ....	143,313.61	140,191.12	10,488.32	18,279.19
583	Overhead line expense. ....	1,383,118.71	1,527,702.54	149,679.12	462,695.70
584	Underground line expense. ....	81,075.22	68,958.61	22,271.52	17,143.60
585	Street lighting and signal system expense. ....	7,080.10	6,627.63	3,118.97	3,025.47
586	Meter expense. ....	550,878.12	455,681.24	159,312.93	66,530.92
587	Customer installation expense. ....	307,951.54	328,628.74	136,917.56	148,983.70
588	Miscellaneous. ....	249,872.58	242,304.54	82,590.81	83,774.43
589	Rents. ....	55,416.38	50,458.35		
(605)	<b>Total distribution operating expense (page 3, item 67).</b>	<b>2,825,839.92</b>	<b>2,875,223.47</b>	<b>586,378.76</b>	<b>825,401.18</b>
<b>3. CUSTOMER ACCOUNTS EXPENSE</b>					
901	Supervision. ....	190,566.82	193,159.85	112,914.87	110,879.12
902	Meter reading expense. ....	413,846.87	414,580.03	3,497.53	6,874.26
903	Customer records and collection expense. ....	1,794,464.52	1,697,105.08	752,242.10	699,258.69
904	Uncollectible accounts. ....	163,651.29	126,469.37		
905	Miscellaneous. ....	1,259.08	1,176.91		
(610)	<b>Total customer accounts expense (page 3, item 68).</b>	<b>2,563,788.58</b>	<b>2,432,491.24</b>	<b>868,654.50</b>	<b>817,012.07</b>
<b>4. CUSTOMER SERVICES &amp; INFORMATIONAL EXPENSE</b>					
907	Supervision. ....				
908	Customer assistance expense. ....	1,330.42	5,501.81	761.08	2,987.31
909	Informational and instructional advertising expense. ....	15,150.85	19,763.04	3,078.06	6,852.62
910	Miscellaneous customer service and informational expense. ....	365.72	341.96		
(615)	<b>Total customer services and informational expense (page 3, item 69).</b>	<b>16,846.99</b>	<b>25,606.81</b>	<b>3,839.14</b>	<b>9,839.93</b>
<b>5. SALES EXPENSE</b>					
911	Supervision. ....				
912	Demonstrating and selling expense. ....	149,867.20	144,505.11	79,442.44	70,762.79
913	Advertising expense. ....	25,934.52	24,372.45	5,682.93	6,392.78
916	Miscellaneous. ....	380.63	475.57		
(620)	<b>Total sales expense (page 3, item 70).</b>	<b>176,182.35</b>	<b>169,353.13</b>	<b>85,125.37</b>	<b>77,155.57</b>

## West Kentucky 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
<b>6. ADMINISTRATIVE &amp; GENERAL</b>					
920	Administrative and general salaries.....	1,148,769.23	1,177,340.83	684,709.31	681,246.43
921	Office supplies and expense.....	244,789.95	208,546.25		
922	Administrative expense transferred - credit*.....				
923	Outside services employed.....	101,455.56	103,134.45		
924	Property insurance.....				
925	Injuries and damages.....				
926	Employee pensions and benefits.....				
927	Franchise requirements*.....				
928	Regulatory commission expense*.....				
929	Duplicate charges - credit.....	(14,621.23)	(14,899.88)		
930	Miscellaneous general expense.....	476,434.99	466,563.37	26,322.10	28,658.19
931	Rents.....	13,056.00	12,802.00		
(625)	<b>Total administrative and general expense (page 3, item 71)....</b>	<b>1,969,884.50</b>	<b>1,953,487.02</b>	<b>711,031.41</b>	<b>709,904.62</b>
(630)	<b>Total operating expense (Page 3 Item 72).....</b>	<b>7,552,542.34</b>	<b>7,456,161.67</b>	<b>2,255,029.18</b>	<b>2,439,313.37</b>
<b>MAINTENANCE EXPENSE</b>					
<b>1. TRANSMISSION</b>					
568	Supervision and engineering.....				
569	Maintenance of structures.....				
570	Maintenance of station equipment.....				
571	Maintenance of overhead lines.....	109.37	8,168.43	30.44	3,091.78
572	Maintenance of underground lines.....				
573	Miscellaneous.....				
(635)	<b>Total transmission maintenance expense (page 3, item 73)....</b>	<b>109.37</b>	<b>8,168.43</b>	<b>30.44</b>	<b>3,091.78</b>
<b>2. DISTRIBUTION</b>					
590	Supervision and engineering.....	40,150.51	39,365.77	21,555.66	21,519.78
591	Maintenance of structures.....				
592	Maintenance of station equipment.....	305,513.91	275,456.99	80,356.21	87,155.53
593	Maintenance of overhead lines.....	5,297,717.65	4,827,794.99	1,059,808.62	1,051,947.12
594	Maintenance of underground lines.....	16,958.70	4,341.51	11,745.24	2,145.12
595	Maintenance of line transformers.....	281,245.56	181,076.14	140,421.80	83,197.68
596	Street lighting and signal systems.....	7,192.47	8,108.20	3,821.06	4,388.93
597	Maintenance of meters.....	159,419.36	156,038.44	87,839.05	87,023.32
598	Maintenance of miscellaneous distribution plant.....	144,416.23	206,296.04	61,368.32	98,732.12
(640)	<b>Total distribution maintenance expense (page 3, item 74).....</b>	<b>6,252,614.39</b>	<b>5,698,478.08</b>	<b>1,466,915.96</b>	<b>1,436,109.60</b>
<b>3. ADMINISTRATIVE &amp; GENERAL</b>					
935	Maintenance of general plant (page 3, items 75).....	96,275.86	132,671.12	1,168.34	4,312.02
(645)	<b>Total maintenance expense (page 3, item 76).....</b>	<b>6,348,999.62</b>	<b>5,839,317.63</b>	<b>1,468,114.74</b>	<b>1,443,513.40</b>
(650)	<b>Total operating and maintenance expense.....</b>	<b>13,901,541.96</b>	<b>13,295,479.30</b>	<b>3,723,143.92</b>	<b>3,882,826.77</b>
(655)	Total direct and indirect payroll charged to construction and retirements.....			1,473,400.34	1,196,002.73
(660)	Payroll charged to other accounts.....			112,042.93	90,483.21
(662)	Fiscal year net change in accrued leave account - (increase) decrease.....			(63,190.40)	8,425.43
(665)	<b>Total payroll distribution for year.....</b>			<b>5,245,396.79</b>	<b>5,177,738.14</b>

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

**West Kentucky 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	58,673,258.06	52,020,986.41	107	488,753,919	475,533,158
Gen. Power - 50 kW & under. . . . .	101	10,477,016.45	9,858,493.12	108	70,051,041	71,742,009
Gen. Power - Over 50 kW. . . . .	102	16,350,779.66	14,616,207.34	109	170,767,224	166,070,998
Street and athletic. . . . .	103	182,254.38	156,938.45	110	1,886,955	1,732,093
Outdoor lighting. . . . .	104	1,420,832.34	1,319,706.83	111	10,042,635	10,420,119
<b>Subtotal. . . . .</b>	<b>330</b>	<b>87,104,140.89</b>	<b>77,972,332.15</b>			
Unbilled revenue*. . . . .	331					
<b>Total (page 3, item 59). . . . .</b>	<b>332</b>	<b>87,104,140.89</b>	<b>77,972,332.15</b>	<b>335</b>	<b>741,501,774</b>	<b>725,498,377</b>
Kilowatt-hours for own use. . . . .				113	161,070	168,933
<b>Total kilowatt-hours sold and used. . . . .</b>				<b>114</b>	<b>741,662,844</b>	<b>725,667,310</b>
Kilowatt-hours in unbilled revenue (items 331) above*. . . . .				<b>336</b>		

STATE	SALES TAX	TO ABOVE CLASSES OF REVENUE	CREDITS	GREEN POWER REVENUE
KY	1,211,827.14	Residential. . . . .		297.54
		Gen. Power - 50 kW & under. . . . .		
		Gen. Power - Over 50kW. . . . .	309,413.50	
<b>Total</b>	<b>1,211,827.14</b>			

**PURCHASED POWER**

TVA	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Purchased Power. . . . .	115	58,055,768.36	51,575,176.39	119	787,496,256	791,010,538
Facilities Rental. . . . .	116	372,186.36	355,532.76			
Other Charges/Credits. . . . .	117					
<b>Total from TVA. . . . .</b>	<b>118</b>	<b>58,427,954.72</b>	<b>51,930,709.15</b>	<b>122</b>	<b>787,496,256</b>	<b>791,010,538</b>
Other Purchased Power**. . . . .	218			222		
<b>Subtotal. . . . .</b>	<b>340</b>	<b>58,427,954.72</b>	<b>51,930,709.15</b>			
Unbilled Purchases*. . . . .	341					
<b>Total (page 3, item 65). . . . .</b>	<b>342</b>	<b>58,427,954.72</b>	<b>51,930,709.15</b>	<b>345</b>	<b>787,496,256</b>	<b>791,010,538</b>
Less kilowatt hours sold and used (item 114). . . . .				123	741,662,844	725,667,310
Line losses and kilowatt-hours unaccounted for. . . . .				124	45,833,412	65,343,228
Percent of losses to purchases (2 decimal places). . . . .				125	5.82	8.26
Kilowatt-hours in unbilled purchases (Item 341) above*. . . . .				<b>346</b>		

\*\*Purchased other power under contract number \_\_\_\_\_ from \_\_\_\_\_

**NUMBER OF CUSTOMERS**

**MISCELLANEOUS DATA**

CLASS OF SERVICE	MONTH OF JUNE		MISCELLANEOUS DATA	THIS YEAR	LAST YEAR
	THIS YEAR	LAST YEAR			
Residential. . . . . (675)	30,426	30,520	Pole Line Miles: (2 decimal places). (715)	3,170.45	3,156.08
Gen. Power - 50 kW & under. . . (680)	7,327	7,244	Individual Outdoor Lts.		
Gen. Power - Over 50 kW. . . . (685)	337	333	No. in plant. . . . . (720)	15,145	15,344
Street and athletic. . . . . (690)	85	87	Total investment. . . . . (725)	4,515,330.70	4,475,978.37
Outdoor Lighting - Excl. Code 77. . . . . (693)			O&M expense. . . . . (730)	183,799.41	235,074.84
<b>Total. . . . . (695)</b>	<b>38,175</b>	<b>38,184</b>	St. Ltg-Invest. Base. . . . . (735)	344,874.86	327,459.49
Outdoor Lighting - Code 77. . . . . (697)	10,188	10,130	O&M expense. . . . . (740)	14,272.57	14,735.83
			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.

**West Kentucky 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	ALLOWANCE	EXCESS TO BE BILLED
		FROM STAT. REPT.	KWH X .003	
Benton				
Hardin				
Cambridge Shores				
Calvert City				
Hazel				
Calloway County Board of Education				
Murray				
Graves County Board of Education				
Wingo				
Milburn				
Arlington				
Kentucky Dept of Highways				
Water Valley				
Kentucky Dam Village Estates				
City of Mayfield				
<b>TOTAL:</b>				



**West Kentucky Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**ELECTRIC PLANT**

ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS DEBIT	CREDIT	BALANCE END OF YEAR
<b>INTANGIBLE</b>							
301	Organization . . . . .						
302	Franchises and consents . . . . .						
303	Miscellaneous . . . . .						
(750)	<b>Total intangible . . . . .</b>						
<b>PRODUCTION</b>							
755	<b>Total production . . . . .</b>						
<b>TRANSMISSION</b>							
350	Land and land rights . . . . .						
351	Clearing land and rights of way . . . . .						
352	Structures and improvements . . . . .	23,768.73	1,971.25				25,739.98
353	Station equipment . . . . .	113,478.96	9,411.35				122,890.31
354	Towers and fixtures . . . . .	60,798.45	3,049.65				63,848.10
355	Poles and fixtures . . . . .	288,221.12					288,221.12
356	Overhead conductors and devices . . . . .	142,226.17	1,962.96				144,189.13
357	Underground conduit . . . . .						
358	Underground conductors and devices . . . . .						
359	Roads and trails . . . . .						
(760)	<b>Total transmission . . . . .</b>	<b>628,493.43</b>	<b>16,395.21</b>				<b>644,888.64</b>
<b>DISTRIBUTION</b>							
360	Land and land rights . . . . .	205,256.79					205,256.79
361	Structures and improvements . . . . .	421,818.22					421,818.22
362	Station equipment . . . . .	10,500,660.04	267,905.13			207,902.31	10,560,662.86
363	Storage battery equipment . . . . .						
364	Poles, towers, and fixtures . . . . .	50,748,629.76	2,110,648.43	732,725.09		60,802.65	52,065,750.45
365	Overhead conductors and devices . . . . .	15,688,996.50	477,675.78	112,407.32	138,153.18	6,173.67	16,186,244.47
366	Underground conduit . . . . .	3,307,248.38	242,634.40	2,888.40		4,944.47	3,542,049.91
367	Underground conductors and devices . . . . .	3,239,495.12	338,781.45	7,928.22		4,698.07	3,565,650.28
368	Line transformers . . . . .	24,355,661.91	1,177,926.87	246,002.29		16,167.63	25,271,418.86
369	Services . . . . .	5,551,360.58	227,641.65	73,561.80		2,144.55	5,703,295.88
370	Meters . . . . .	3,725,775.70	53,930.52	87,740.27		199.96	3,691,765.99
371	Inst. on customers' premises . . . . .	4,478,499.06	189,654.31	152,422.93		399.74	4,515,330.70
372	Leased prop. on cust. premises . . . . .	33,239.00					33,239.00
373	St. lighting and signal systems . . . . .	327,459.49	18,435.34	1,019.97			344,874.86
(765)	<b>Total distribution . . . . .</b>	<b>122,584,100.55</b>	<b>5,105,233.88</b>	<b>1,416,696.29</b>	<b>138,153.18</b>	<b>303,433.05</b>	<b>126,107,358.27</b>

## West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

### ELECTRIC PLANT

ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS DEBIT	CREDIT	BALANCE END OF YEAR
<b>GENERAL</b>							
389	Land and land rights. ....	116,104.45					116,104.45
390	Structures and improvements. ....	2,200,808.99	9,500.00				2,210,308.99
391	Office furniture and equipment. ....	780,090.15	37,395.21	5,295.80			812,189.56
392	Transportation equipment. ....	2,985,258.16	575,358.64	375,151.39			3,185,465.41
393	Stores equipment. ....	32,761.80					32,761.80
394	Tools, shop, and garage equip. ....	473,520.88	28,940.33				502,461.21
395	Laboratory equipment. ....	194,200.92					194,200.92
396	Power operated equipment. ....						
397	Communication equipment. ....	420,643.80	16,122.60	6,825.56			429,940.84
398	Miscellaneous equipment. ....	79,912.58	800.61	734.04			79,979.15
399	Other tangible property. ....						
(770)	<b>Total general. ....</b>	<b>7,283,301.73</b>	<b>668,117.39</b>	<b>388,006.79</b>			<b>7,563,412.33</b>
101	<b>Total plant in service. ....</b>	<b>130,495,895.71</b>	<b>5,789,746.48</b>	<b>1,804,703.08</b>	<b>138,153.18</b>	<b>303,433.05</b>	<b>134,315,659.24</b>
102	Electric plant purchased or sold. ....				303,433.05	303,433.05	
104	Electric plant leased to others. ....						
105	Electric plant for future use. ....	251,539.23					251,539.23
107	Construction work in progress. ....	1,054,395.43	1,418,131.68				2,472,527.11
(775)	<b>Total other electric plant. ....</b>	<b>1,305,934.66</b>	<b>1,418,131.68</b>		<b>303,433.05</b>	<b>303,433.05</b>	<b>2,724,066.34</b>
(780)	<b>Total electric plant (page 1, item 1). ....</b>	<b>131,801,830.37</b>	<b>7,207,878.16</b>	<b>1,804,703.08</b>	<b>441,586.23</b>	<b>606,866.10</b>	<b>137,039,725.58</b>
			(Item 140)				
<b>RESERVES</b>							
108	Accumulated provision for depreciation of electric plant in service. ....					34,407,132.57	
109	Accumulated provision for depreciation of electric plant leased to others. ....						
110	Accumulated provision for depreciation of electric plant held for future use. ....						
	<b>Total accumulated provision for depreciation (page 1, item 2 and page 11). ....</b>					<b>34,407,132.57</b>	
	<b>Total electric plant, less accumulated provision for depreciation (page 1, item 3). ....</b>						<b>102,632,593.01</b>

**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.**

Pages 9, 10, and 11: Amounts shown in Acct 362 represent substation plant sold to Mayfield Electric for the net book value of \$25,000. Amounts shown in Accounts 365, 366, 367, 368, 370, and 371 represent distribution plant in Livingston County sold to Jackson Purchase EC for the net book amount of \$60,000.

**Explanations of entries shown in the Reclassification Columns:**

Debit and credit amounts shown in 101365 and 108365 respectively represent correction of error from FY 2010 where 3 gang switches were retired during closing ice storm work order and subsequently discovered to have been reused and should not have been retired. No depreciation accrual was associated with this transaction.

## West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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	3.00	20,676.84	767.27						21,444.11	83
353	3.00	108,032.29	3,663.23						111,695.52	91
354	3.00	20,941.34	1,907.82						22,849.16	36
355	3.00	98,076.18	8,646.60						106,722.78	37
356	3.00	89,893.28	4,320.74						94,214.02	65
357										
358										
359										
<b>(785) TOTAL</b>		<b>337,619.93</b>	<b>19,305.66</b>						<b>356,925.59</b>	<b>55</b>
360	4.23	83,524.58	4,647.12						88,171.70	43
361	3.00	409,635.45	334.08						409,969.53	97
362	3.00	4,404,572.09	299,795.88				182,902.31		4,521,465.66	43
363										
364	3.00	3,452,919.32	1,539,246.29	732,725.09	516,261.77	16,112.27	22,614.29		3,736,676.73	7
365	2.75	3,715,170.76	438,860.02	112,407.32	42,409.32	2,969.35	2,296.17	138,153.18	4,138,040.50	26
366	4.00	800,549.42	137,186.91	2,888.40	1,453.18	153.15	1,839.00		931,708.90	26
367	4.00	1,109,117.35	136,780.66	7,928.22	5,842.81	395.16	1,747.36		1,230,774.78	35
368	3.00	9,357,207.33	742,578.90	246,002.29	21,708.76	30,548.55	6,013.24		9,856,610.49	39
369	6.00	2,619,474.36	337,550.95	73,561.80	46,906.47	961.29	797.63		2,836,720.70	50
370	2.50	573,770.37	92,618.73	87,740.27		106.00	74.37		578,680.46	16
371	5.00	851,979.34	224,103.64	152,422.93	122,898.52	25,073.11	148.68		825,685.96	18
372	5.00	16,418.76	1,561.44						17,980.20	54
373	4.00	154,820.69	13,614.05	1,019.97	1,091.01				166,323.76	48
<b>(790) TOTAL</b>		<b>27,549,159.82</b>	<b>3,968,878.67</b>	<b>1,416,696.29</b>	<b>758,571.84</b>	<b>76,318.88</b>	<b>218,433.05</b>	<b>138,153.18</b>	<b>29,338,809.37</b>	<b>23</b>
389										
390	2.5-5	1,167,886.31	61,103.90						1,228,990.21	56
391	4/10	610,532.45	69,899.01	5,295.80					675,135.66	83
392	Var	1,490,622.01	272,062.04	375,151.39		52,850.00			1,440,382.66	45
393		4,709.44							4,709.44	14
394	8.00	373,750.66	38,944.10						412,694.76	82
395	0.00	194,200.92							194,200.92	100
396										
397	8.00	406,896.66	29,869.75	6,825.56					429,940.85	100
398	8.00	79,333.71	1,279.48	734.04		100.00			79,979.15	100
399										
<b>(795) TOTAL</b>		<b>4,327,932.16</b>	<b>473,158.28</b>	<b>388,006.79</b>		<b>52,950.00</b>			<b>4,466,033.65</b>	<b>59</b>
<b>(800) OTHER</b>		<b>245,363.96</b>							<b>245,363.96</b>	<b>9</b>
<b>(805) TOTALS</b>		<b>32,460,075.87</b>	<b>4,461,342.61</b>	<b>1,804,703.08</b>	<b>758,571.84</b>	<b>129,268.88</b>	<b>218,433.05</b>	<b>138,153.18</b>	<b>34,407,132.57</b>	<b>26</b>

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

**West Kentucky 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)	4,189,280.57
Depreciation charged to transportation expense - clearing . . . . .	(815)	272,062.04
Depreciation charged to building expense - clearing . . . . .	(820)	
Depreciation charged to other accounts (list each account number) . . . . .	(825)	
	(830)	
	(835)	
	(840)	
<b>Total accrual (page 11) . . . . .</b>	<b>(Item 128)</b>	<b>4,461,342.61</b>

Explanations (continue on page 33 if necessary)

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ELECTRIC PLANT ACQUISITION ADJUSTMENTS (Account 114)							
DESCRIPTION						AMOUNT	
Balance beginning of year .....							
Additions during year (as below) .....							
<b>Total</b> .....							
Charged to expense (Account 406) (page 3, item 78) .....							
Other reductions (explain below) .....							
<b>Balance end of year (page 1, item 4)</b> .....							
ELECTRIC PLANT PURCHASED THIS YEAR*							
From whom property acquired (abbreviate) .....							<b>TOTAL</b>
Date acquired .....							
Original cost .....							
Corrections to date .....							
<b>Total original cost</b> .....							
Depreciation reserve at acquisition .....							
Corrections to date .....							
<b>Total depreciation reserve</b> .....							
Base contract purchase price .....							
Net additions .....							
Acquisition expense .....							
Other (explain below) .....							
<b>Total purchase cost</b> .....							
<b>(Item 141)</b> .....							
Acquisition adjustment (purchase cost, less original cost, net of depreciation) .....							
<p>*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.</p>							
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
				362	207,902.31	182,902.31	25,000.00
				364	60,802.65	22,614.29	38,188.36
				365	6,173.67	2,296.17	3,877.50
				366	4,944.47	1,839.00	3,105.47
				367	4,698.07	1,747.36	2,950.71
				368	16,167.63	6,013.24	10,154.39
				369	2,144.55	797.63	1,346.92
				370	199.96	74.37	125.59
				371	399.74	148.68	251.06
<b>Total</b>				<b>Total</b>	<b>303,433.05</b>	<b>218,433.05</b>	<b>85,000.00</b>
GAIN OR LOSS ON SALE OF ELECTRIC PLANT							
Selling price .....			85,000.00				
Less net plant sold (as above) .....			85,000.00				
Difference .....							
Less selling expense .....							
<b>Gain or loss on sale</b> .....							

**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

<b>INVESTMENTS IN ASSOCIATED COMPANIES</b> (Report only the investments not considered as current assets)			
<b>OTHER INVESTMENTS - GENERAL FUNDS</b>			
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
Stockholder Loan - CSA	43,822.18	2,109.28	
Pat. Capital-CFC,WKRTCC, UUS, KAEC, FEDERATED, COBANK	602,306.93	138,524.80	
Capital Term Certificates - NRUCFC	1,394,760.72	64,204.31	
Membership - NRUCFC, COBANK	2,000.00		
<b>Subtotal</b>	<b>2,042,889.83</b>	<b>204,838.39</b>	
	(page 1, item 8)	(account 419, page 16)	
<b>INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS</b>			
(Investments included in Accounts 125, 126, and 128 - page 15)			
NRUCFC - Medical Self Insurance / Property Tax / Building Fund Employee Savings Fund	54,911.74	2,187.83	
<b>Subtotal</b>	<b>54,911.74</b>	<b>2,187.83</b>	
	(page 15)	(account 419, page 16)	
<b>CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS</b>			
(Report only investments considered as current assets)			
NRUCFC Commercial Paper	6,214,176.59	6,957.88	
<b>Total Temporary Cash Investments</b>	<b>6,214,176.59</b>	<b>6,957.88</b>	
CASH (Accounts 131 - 135)	1,203,941.98	5,003.17	
<b>Subtotal</b>	<b>7,418,118.57</b>	<b>11,961.05</b>	
	(page 1, item 14)	(account 419, page 16)	
<b>Grand Total</b>	<b>9,515,920.14</b>	<b>218,987.27</b>	

**West Kentucky Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	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 . . . . .				54,911.74	54,911.74
Investments in fund end of year (page 14) . . . . .					
Balance of fund end of year (page 1) . . . . .				54,911.74	54,911.74
Minimum balance required* . . . . .	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)		
Authority creating fund**					

\* Explain difference if fund balance is less than minimum required.  
 \*\* State whether fund is required by bond contract, board action, etc.  
 Total Sinking

Depreciation

Construction

Other  
N/A

Note: Report all debt service funds as sinking funds.  
 Report all funds for renewals and replacements as depreciation funds.

**NONUTILITY PROPERTY (Account 121)**

DESCRIPTION AND LOCATION OF PROPERTY	DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
House and Lot 1220 West Broadway, Mayfield, KY	12/1/1952	22,447.85	
Total . . . . .		22,447.85	
Less accumulated provision for depreciation (account 122) . . . . .		15,491.33	
Total net of depreciation (page 1, item 7) . . . . .		6,956.52	(page 16)

**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

ACCT. NO.	OTHER INCOME	
415	Revenue from merchandising, jobbing, etc.	31,870.84
416	Cost and expense of merchandising, etc.	(23,682.85)
417*	Income from nonutility operations - net of expense.	
418	Nonoperating rental income - net of expense (page 15).	
419	Interest and dividend income (page 14).	218,987.27
419.1	Interest charged to construction.	
421*	Misc. nonoperating income - net of expense.	
(845)	<b>Total other income (page 3, item 83).</b>	<b>227,175.26</b>

\*Explain these items briefly:                      417    421

ACCT. NO.	MISCELLANEOUS INCOME DEDUCTIONS	
425*	Miscellaneous amortization.	
426*	Miscellaneous income deductions.	38,026.43
(850)	<b>Total misc. income deductions (page 3, item 85).</b>	<b>38,026.43</b>

\*Explain these items briefly:                      425    426  
 Donated labor, transportation and overheads; Washington Youth Tour; Senior scholarships; Donation of electric grills and smokers for charity auctions; American Cancer Society; Cash donations for schools' activities.

**INVESTMENT PROCEDURES**

Are investments in excess of \$100,000 secured?     Yes     No    If yes, how?  
 Excess cash is invested in NRUCFC Commercial Paper which is rated P-1 by Moody's Investor Service, A-1 by Standard & Poor's, and F1 by Fitch Ratings. Cash in banks is secured by FDIC and pledged securities.

ACCT. NO.	RECEIVABLES	
141	Notes receivable (Explain on page 33).	
142	Customer accounts receivable.	7,336,139.49
143	Other accounts receivable.	380,478.95
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due).	
	<b>Total.</b>	<b>7,716,618.44</b>
144	Accumulated provision for uncollectible accounts.	140,546.52
	Accounts receivable net of reserve (page 1, item 15).	7,576,071.92

**AGE OF RECEIVABLES AT JUNE 30**

	ACCOUNT 141	ACCOUNT 142	ACCOUNT 143	ACCOUNT 146
Accounts with credit balances.				
Due after June 30.				
From 1 to 30 days past due.				
From 31 to 60 days past due.				
From 61 to 90 days past due.				
Over 90 days past due.				
<b>Totals (as above).</b>				



**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

ACCT. NO.	MATERIALS AND SUPPLIES	
154	Plant materials and operating supplies .....	1,283,731.72
155	Merchandise .....	4,391.48
156	Other materials and supplies .....	
163	Stores expense undistributed .....	22,455.30
(855)	<b>Total materials and supplies (page 1, item 16) .....</b>	<b>1,310,578.50</b>
Give dates of physical inventories this year: <u>05/21/2011</u>		
Total of adjustments: \$ <u>19,164.14</u> over, or \$ _____ short		
PREPAYMENTS - Account No. 165		
	Prepaid insurance .....	205,183.85
	Prepaid employee pension plan .....	
	Prepaid taxes (page 29) .....	6,218.88
	Prepaid rents .....	
	Other prepayments .....	93,720.28
	<b>Total prepayments (page 1, item 17) .....</b>	<b>305,123.01</b>
ACCT. NO.	OTHER CURRENT ASSETS	
171	Interest and dividends receivable .....	25,402.66
172	Rents receivable .....	271,395.39
173	Accrued utility revenue .....	
174	Miscellaneous current and accrued assets .....	
	<b>Total other current assets (page 1, item 18) .....</b>	<b>296,798.05</b>
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	
	<b>Total as above</b>	
186	Miscellaneous deferred debits (page 1, item 26)	35,949.20
List of Items:		
	Receivables from plant sales (item 148)	
	Other items (list):	
	Advances for Construction Receivable	2,363.52
	Deferred Dispatching System Software Costs	33,585.68
	<b>Total as above</b>	<b>35,949.20</b>



**West Kentucky 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	CoBank Emergency Line of Credit		NCSC - TVA SUPPLEMENTAL LOAN		NRUCFC Revolving Line of Credit	
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.

**West Kentucky 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				
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
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					
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2038					
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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.

# West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SUMMARY OF LONG-TERM DEBT - RUS																		
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	INTEREST	DEFERRED INTEREST									
01-B270	5/14/1983	5.00	35	05/1986	770,000.00		318,395.05	5,507.24										
02-B272	5/14/1983	5.00	35	05/1986	770,000.00		318,395.05	5,507.24										
03-B281	10/26/1986	5.00	35	08/1990	1,092,000.00		593,187.83	10,308.64										
04-B283	10/26/1986	5.00	35	08/1990	1,092,000.00		593,187.83	10,308.64										
05-B290	2/27/1995	5.00	35	03/1996	2,534,000.00		1,896,559.32	33,111.28										
06-B291	4/10/1995	5.00	35	03/1996	427,500.00		319,958.98	5,586.04										
07-B295	10/23/1995	5.00	35	03/1996	995,000.00		744,702.68	13,001.46										
08-B297	5/20/1996	5.00	35	03/1998	1,966,500.00		1,511,993.30	26,397.91										
09-B300	7/21/1999	5.00	35	02/2001	2,000,000.00		1,710,369.32	29,902.20										
10-B301	3/1/2000	5.00	35	02/2001	2,400,000.00		2,052,443.11	35,882.64										
11-B302	7/6/2000	5.00	35	02/2001	2,200,000.00		1,881,406.21	32,892.43										
12-B303	11/2/2000	5.00	35	02/2001	1,600,000.00		1,368,295.40	23,921.75										
13-B304	4/1/2002	5.00	35	05/2002	2,959,000.00		2,572,262.51	44,959.67										
14-B310	9/23/2004	5.00	35	10/2004	3,000,000.00		53,664.37	135,695.63		2,684,318.12								
15-B311	3/24/2005	5.00	35	04/2005	3,000,000.00		54,236.49	136,563.51		2,701,361.25								
16-B320	2/17/2006	4.57	35	06/2007	3,000,000.00		46,186.96	130,213.04		2,823,820.07								
17-B321	11/16/2006	4.68	35	06/2007	2,000,000.00		30,297.37	88,982.63		1,884,614.23								
18-B322	3/14/2007	4.70	35	06/2007	2,800,000.00		42,181.72	125,146.28		2,639,399.26								
19-B323	11/1/2007	4.68	35	11/2007	3,200,000.00		48,450.45	143,165.55		3,032,346.57								
20-B324	5/13/2008	4.58	35	06/2007	2,500,000.00		38,525.60	111,474.40		2,386,392.91								
21-B325	9/24/2008	4.42	35	10/2008	2,500,000.00		39,974.83	107,025.17		2,393,879.93								
22-				/														
23-				/														
24-				/														
25-				/														
26-				/														
27-				/														
28-				/														
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30-				/														
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32-				/														
33-				/														
34-				/														
35-				/														
36-				/														
37-				/														
38-				/														
39-				/														
40-				/														
<b>(860) Total</b>					<b>42,806,000.00</b>		<b>16,234,674.38</b>	<b>1,255,553.35</b>		<b>20,546,132.34</b>								
List Note Numbers Paid Monthly:					B270	B272	B281	B283	B290	B291	B295	B297	B300	B301	B302	B303	B304	B310

\*EXCLUDING CUSHION OF CREDIT.

# West Kentucky 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 (YR)	AMOUNT OF LOAN APPROVED	UNADVANCED LOAN	AMT REPAYED THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-9007	3/26/1976	6.30	CFC	35	319,000.00		24,377.97	948.17		B240/42	20.00
02-9009	7/8/1979	6.40	CFC	35	758,000.00		53,627.07	6,638.14	72,004.02	B250/52	20.00
03-9013	8/13/1980	6.50	CFC	35	2,120,000.00		123,619.84	42,098.30	582,480.45	B260/62	30.00
04-9016	5/14/1982	6.60	CFC	35	695,000.00		32,698.33	20,756.18	299,955.10	B270/72	30.00
05-9017	10/26/1986	6.65	CFC	35	936,000.00		34,698.78	35,695.29	525,188.64	B281/83	30.00
06-9019008	8/29/2003	5.05	CFC	8	577,378.99		577,378.99	28,130.21			
07-9019009	8/29/2003	5.25	CFC	9	577,378.99			29,590.69	577,378.99		
08-002349882	10/1/2009	2.97	COBANK	2	3,500,000.00		1,762,832.33	45,093.91	448,938.82		
09-002349917	10/1/2009	3.21	COBANK	3	3,800,000.00		1,256,125.72	77,305.11	1,627,855.70		
10-002448494	11/5/2010	4.31	COBANK	18	15,713,949.26		440,697.77	442,306.77	15,273,251.49		
11-											
12-											
13-											
14-											
15-											
16-											
17-											
18-											
19-											
20-											
21-											
22-											
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27-											
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29-											
30-											
31-											
32-											
33-											
34-											
35-											
36-											
37-											
38-											
39-											
40-											
41-											
<b>(865) Total</b>					<b>28,996,707.24</b>		<b>4,306,056.80</b>	<b>728,562.77</b>	<b>19,407,053.21</b>		

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

LONG-TERM DEBT - RUS		
ACCT.	PRINCIPAL DATA	AMOUNT
224.1	Long-term debt - RUS . . . . .	20,546,132.34
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 . . . . .	
	Net balance due RUS as above (page 2, item 36) . . . . .	20,546,132.34
	Total additions to RUS long-term debt this year . . . . . (Item 132)	<input type="text"/>
	Repayments for the year excluding advance payments . . . . . (Item 143)	16,234,674.38
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) . . . . .	1,255,553.35
	Repayments this year . . . . .	1,255,553.35
	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 . . . . .	2,057,007.20
223.61	Patronage capital certificates - debit . . . . .	
223.62	Deferred patronage dividends - credit . . . . .	
	Net CFC account (account 223) ( page 2, item 37) . . . . .	2,057,007.20
	Total additions to CFC long-term debt this year . . . . . (Item 135)	<input type="text"/>
	Repayments for the year excluding advance payments . . . . . (Item 144)	846,400.98
INTEREST ACCRUED - CFC (Account 237.2)		
	Balance beginning of year (matured \$.00) . . . . .	17,070.36
	Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary) . . . . .	157,377.34
	Repayments this year . . . . .	163,856.98
	Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary) . . . . .	10,590.72
LONG-TERM DEBT - COBANK		
ACCT.	PRINCIPAL DATA	AMOUNT
229.10	Long Term Debt - CoBank - credit . . . . .	17,350,046.01
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) . . . . .	17,350,046.01
	Amount received on allotment this year . . . . . (Item 136)	15,713,949.26
	Repayments this year . . . . . (Item 145)	3,459,655.82
INTEREST ACCRUED - COBANK (Account 237.6)		
	Balance beginning of year (matured \$.00) . . . . .	
	Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary) . . . . .	564,705.79
	Repayments this year . . . . .	564,705.79
	Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary) . . . . .	

**West Kentucky 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: POST RETIREMENT BENEFITS  
 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	935,760.81	Accrued beginning of year	
Issued during year	285,811.92	Accrued during year (427.3)	
Total	1,221,572.73	Total	
Bonds retired this year	268,462.80	Payments during year	
Balance end of year	953,109.93	Balance end of Year	
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	953,109.93	Balance less matured (237.3)	

Name of issue: NCSC - TVA SUPPLEMENTAL LOAN  
 Date of issue: 06/30/1995 Amount of original issue: \$ 7,539,000.00  
 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: 2\15 Quarterly Principal due dates: 2\15 Quarterly Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: TVA - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \$2,500,000 direct financing loan. Remainder supplemental to RUS loans.

Conditions under which bonds may be called:  
Due in full within one year of submitting notice of cancellation of power contract with TVA.

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

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year	4,301,734.55	Accrued beginning of year	4,836.80
Issued during year		Accrued during year (427.3)	25,516.58
Total	4,301,734.55	Total	30,353.38
Bonds retired this year	241,607.20	Payments during year	25,365.50
Balance end of year	4,060,127.35	Balance end of Year	4,987.88
Including matured of (239)		Including matured of (240)	
Balance less matured (221)	4,060,127.35	Balance less matured (237.3)	4,987.88



**West Kentucky 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: NRUCFC Revolving Line of Credit  
 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: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: Revolving line of credit in the amount of \$4,000,000.00.

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. ....	4,159,226.19	Accrued during year (427.3).....	234.58
Total. ....	4,159,226.19	Total. ....	234.58
Bonds retired this year. ....	4,159,226.19	Payments during year. ....	234.58
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).....	

Name of issue: CoBank Emergency Line of Credit  
 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: Other Notes Payable - 231 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. ....	10,751.63	Accrued during year (427.3).....	24.71
Total. ....	10,751.63	Total. ....	24.71
Bonds retired this year. ....	10,751.63	Payments during year. ....	24.71
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).....	

**West Kentucky 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: \_\_\_\_\_  
 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				935,760.81	4,301,734.55
Issued during year (Item 137)				285,811.92	
<b>Total</b>				1,221,572.73	4,301,734.55
Bonds retired this year (Item 146)				268,462.80	241,607.20
Balance end of year				953,109.93	4,060,127.35
Including matured of (239) (Item 147)					
Balance less matured (221)				953,109.93	4,060,127.35

(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	4,836.80
Accrued during year (427.3) (page 26)	25,516.58
<b>Total</b>	30,353.38
Payments during year	25,365.50
Balance end of year	4,987.88
Including matured of (240)	
Balance less matured (237.3) (page 26)	4,987.88

\*Less TVA Long-term Debt and Postretirement Benefits

**West Kentucky 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. ....						4,169,977.82				
<b>Total. ....</b>						<b>4,169,977.82</b>				
Notes retired this year. ....						4,169,977.82				
<b>Balance end of year. ....</b>										
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. ....										1,840,289.55
Balance customer deposits end of year (Account 235). ....										8,586.12
<b>Total customer deposits (page 2, item 47). ....</b>										<b>1,848,875.67</b>
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	10,590.72	427.2	3	88	157,377.34
224	RUS	23	237.1	2	49		427.1	3	87	1,255,553.35
229	CoBank	23	237.6	2	51		427.4	3	89	564,705.79
228	TVA long term	25	237.3	2	52.1	4,987.88	427.3	3	90.2	25,516.58
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	
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	259.29
235	Customer Deposits	Above	235	Above	---		431	3	92	55,768.12
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year. ....						15,578.60	Net expense for year. ....			2,059,180.47
Total item 49 (page 2) .....							Total item 87 (page 3) ..			1,255,553.35
Total item 50 (page 2) .....						10,590.72	Total item 88 (page 3) ..			157,377.34
Total item 51 (page 2) .....							Total item 89 (page 3) ..			564,705.79
Total item 52.1 (page 2) .....						4,987.88	Total item 90.1 (page 3) ..			
Total item 52.2 (page 2) .....							Total item 90.2 (page 3) ..			25,516.58
							Total item 92 (page 3) ..			56,027.41
ACCOUNTS PAYABLE										
232	Accounts payable - general (includes \$9,711,094.89 to TVA for purchased power and Fac.Rental). ....									11,635,513.58
232	Accrued purchased power. ....									
233	Accounts payable - spec. const. ....									
234	Payable to municipal - utility revenue. ....									
234	Other payables to municipality. ....									
<b>Total accounts payable - general (page 2, item 46). ....</b>										<b>11,635,513.58</b>
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. ....									13,333.88
242	Miscellaneous - accrued insurance. ....									
242	Miscellaneous - employees' accrued leave. ....									1,239,888.07
242	Miscellaneous - other. ....									226,547.09
<b>Total other current and accrued liabilities (page 2, item 53). ....</b>										<b>1,479,769.04</b>
OTHER DEFERRED CREDITS (Account 253)										
Payables for plant purchases; (item 149) .....										
Other items (List): Budget Billing Differences. ....										223,689.20
<b>Total other deferred credits (page 2, item 56) .....</b>										
<b>Total other deferred credits (page 2, item 56) .....</b>										<b>223,689.20</b>

## West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

PAYMENTS OF AD VALOREM TAXES OR TAX EQUIVALENTS							
TO WHOM PAID	PERIOD COVERED		AMOUNT	TO WHOM PAID	PERIOD COVERED		AMOUNT
States (list): KY KY	1/1/2010 12/31/2010 1/1/2011 12/31/2011	318,790.29 4,988.80	318,790.29 4,988.80	Cities (list): HAZEL MAYFIELD MAYFIELD MURRAY WINGO HARDIN ARLINGTON BENTON CALVERT CITY	1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2011 12/31/2011 1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2010 12/31/2010	379.70 2,274.36  2,666.55 895.01 444.76 340.45 191.52 424.32	
	Total states. ....	323,779.09	323,779.09	Total cities. ....		7,616.67	
Counties (list): CALLOWAY CARLISLE GRAVES HICKMAN LIVINGSTON MARSHALL GRAVES	1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2010 12/31/2010 1/1/2011 12/31/2011	150,026.29 32,827.42 151,683.06 3,985.69 334.90 148,692.96 7,448.96	150,026.29 32,827.42 151,683.06 3,985.69 334.90 148,692.96 7,448.96				
	Total counties. ....	494,999.28	494,999.28			Total paid. .... 826,395.04	

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.

**West Kentucky 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="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						
1/1/2010 12/31/2010	State of Kentucky - Real Estate			1,314,495.00	.1220	1,603.68	801.84
1/1/2010 12/31/2010	State of Kentucky - Tangible			63,019,745.00	.4500	283,588.86	141,794.43
1/1/2010 12/31/2010	State of Kentucky - Manufacturing Machinery			15,509,613.00	.1500	23,264.42	11,632.21
1/1/2010 12/31/2010	Calloway County - Real Estate			89,920.00	.6370	349.06	174.55
1/1/2010 12/31/2010	Calloway County - Tangible			21,623,829.00	.6747	144,910.75	72,455.39
1/1/2010 12/31/2010	Carlisle County - Real Estate			2,135.00	.7440	15.89	7.96
1/1/2010 12/31/2010	Carlisle County - Tangible			3,636,181.00	.7376	26,820.47	13,410.25
1/1/2010 12/31/2010	Graves County - Real Estate			1,204,015.00	.1990	2,395.99	1,198.01
1/1/2010 12/31/2010	Graves County - Tangible			22,567,636.00	.2471	55,764.63	27,882.32
1/1/2010 12/31/2010	Graves County Schools - Real Estate			1,177,055.00	.3530	4,155.00	2,077.50
1/1/2010 12/31/2010	Graves County Schools - Tangible			22,334,451.00	.3530	78,840.61	39,420.31
1/1/2010 12/31/2010	Hickman County - Tangible			496,803.00	.6865	3,410.56	1,705.28
1/1/2010 12/31/2010	Livingston County - Tangible			46,363.00	.7094	328.90	164.47
1/1/2010 12/31/2010	Marshall County - Real Estate			18,425.00	.7850	144.64	72.33
1/1/2010 12/31/2010	Marshall County - Tangible			14,648,933.00	.8932	130,711.70	65,355.86
1/1/2010 12/31/2010	Marshall County Fire Districts (All) - Tangible			1,562,558.00	.7905	12,352.03	6,176.02
1/1/2010 12/31/2010	City of Arlington - Tangible			87,801.00	.3910	343.30	171.65
1/1/2010 12/31/2010	City of Benton - Tangible			94,992.00	.2100	199.48	99.74
1/1/2010 12/31/2010	City of Calvert City - Tangible			138,099.00	.3250	448.82	224.41
1/1/2010 12/31/2010	City of Hardin - Tangible			225,150.00	.1560	351.23	175.62
1/1/2010 12/31/2010	City of Hazel - Tangible			76,507.00	.5000	382.54	191.27
1/1/2010 12/31/2010	City of Mayfield - Real Estate			26,960.00	.9830	265.02	132.51
1/1/2010 12/31/2010	City of Mayfield - Tangible			233,185.00	.9830	2,292.21	1,146.11
1/1/2010 12/31/2010	City of Murray - Tangible & Real Estate			375,120.00	.3985	1,488.73	744.38
1/1/2010 12/31/2010	City of Murray Schools - Tangible & Real Estate			255,425.00	.5100	1,302.67	651.34
1/1/2010 12/31/2010	City of Wingo - Tangible			171,019.00	.5300	906.40	453.21
7/1/2010 6/30/2011	Underaccrual FY 2009						1,008.32
1/1/2011 12/31/2011	Estimated State						154,228.48
1/1/2011 12/31/2011	Estimated Counties						230,100.12
1/1/2011 12/31/2011	Estimated Cities						3,990.20
1/1/2010 12/31/2010	State of Kentucky - Tangible Vehicle Tax			939,308.00	.4500	4,226.93	2,113.46
1/1/2010 12/31/2010	Graves County - Tangible Vehicle Tax			931,783.00	.1910	1,794.14	897.06
1/1/2010 12/31/2010	Graves County Schools - Tangible Vehicle Tax			931,783.00	.4640	4,323.50	2,161.77
1/1/2010 12/31/2010	City of Mayfield - Tangible Vehicle Tax			7,525.00	1.0290	77.43	38.71
1/1/2011 12/31/2011	State of Kentucky - Tangible Vehicle Tax			859,487.00	.4500	3,867.74	1,933.87
1/1/2011 12/31/2011	Graves County - Tangible Vehicle Tax			859,487.00	.1910	1,641.70	820.85
1/1/2011 12/31/2011	Graves County Schools - Tangible Vehicle Tax			859,487.00	.4640	3,988.00	2,153.48
1/1/2011 12/31/2011	City of Mayfield - Tangible Vehicle Tax						
7/1/2010 6/30/2011	Total Tax Expense						787,765.29

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.

## West Kentucky 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 AMOUNT	BALANCE END OF YEAR
GRAVES			7,448.96	01/01/2011	12/31/2011	408.1	3,724.48	3,724.48
GRAVES		2,974.32		01/01/2011	12/31/2010	408.1	2,974.32	
MAYFIELD				01/01/2011	12/31/2011	408.1		
MAYFIELD				01/01/2010	12/31/2010	408.1		
KY			4,988.80	01/01/2011	12/31/2011	408.1	2,494.40	2,494.40
KY		1,933.87		01/01/2010	12/31/2010	408.1	1,933.87	
<b>Total</b>			12,437.76				11,127.07 (Add below)	6,218.88 (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 .....	888,318.80	813,957.28		832,617.14	#06,978.66
408.2	U.S. Social Security - unemployment .....	59.01	4,915.99		4,863.38	6.40
408.3	U.S. Social Security - FICA .....	14,907.52	411,412.73		396,505.21	
408.4	State Social Security - unemployment .....	120.32	7,055.95		6,949.23	13.60
408.5	Gross receipts - state .....					
408.6	Income - state .....					
408.7	Other: (list below) .....					
408.7	Gross Receipts License Tax for Schools		2,523,992.59	2,523,992.59		
408.7	Reallocation of Prepaid Vehicle Taxes			(11,127.07)	11,127.07	
<b>Total .....</b>		403,405.65	3,761,334.54	2,512,865.52	1,252,062.03	406,998.66
(885)	Tax expense from the writeoff of prepaid privilege taxes (as above) .....			11,127.07		(page 2, item 48)
(890)	<b>Total tax expense for the year (page 3, item 79) .....</b>			<b>2,523,992.59</b>		

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".

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**GENERAL INFORMATION**

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)
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.  
 RURAL ELECTRIFICATION ACT OF 1936
- (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? Y  
 If so, give name. If not, give the type in-house hardware. Central Service Association, Tupelo, MS, on-line

(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  
 Owner without Electric Heat  
 Tenant with Electric Heat \$175.00  
 Tenant without Electric Heat \$175.00  
 Other (describe) 2 months average bill for businesses.

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?      Yes N No  
 Credited on customer's power bill annually?      Yes N No  
 Credited to a deposit account annually?      Yes N No  
 Handled differently (Explain)  
Applied to final bill or refunded if credit balance.

7) Are prior written notice and due process afforded to customers before termination for nonpayment?  
 Prior written notice? Y Yes      No  
 Due process? Y Yes      No

8) Is information about policies and rates available upon request and application for service?  
 Upon request? Y Yes      No  
 Upon application for service? Y Yes      No

9) Are the media used to inform customers about policies and rates?  
 Policies? Y Yes      No  
 If yes, how many times during the past 12 months? 6 Times  
 Rates? Y Yes      No  
 If yes, how many times during the past 12 months? 6 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 \$5.00

**West Kentucky 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:  
 Alexander Thompson Arnold, LLC, Union City, TN

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
JAMIE POTTS, PRESIDENT	AGRICULTURE	07/01/2014	8,750.00	3,757.34
TROY ENGLISH, VICE PRESIDENT	SALES	07/01/2013	3,300.00	6,186.03
CAROLYN WOOD,	RETIRED	07/01/2014	7,700.00	640.53
DENNIS BARNES	FACTORY	07/01/2012	1,550.00	738.03
RALPH EDRINGTON	AGRICULTURE	07/01/2012	2,150.00	2,198.06
CHAD WILLET	REAL ESTATE	07/01/2013	8,550.00	3,134.39
BOB HARGROVE	BANKING	07/01/2013	7,400.00	296.94
TED LOVETT	MAINTENANCE	07/01/2012	7,900.00	986.75
ROBERT SPALDING	CONSTRUCTION	07/01/2014	2,050.00	1,140.29
		Total . . . . .	49,350.00	19,078.36

\*Show total amounts paid from electric system funds for fiscal year.  
 Method of determining amounts paid to board members is as follows:  
 Board members elected prior to 07/05 receive \$100 per each meeting plus medical insurance. Members elected after 07/05 receive \$400 for each regular board meeting and no medical insurance and \$100 per other meeting days. Term for board members elected after July 2006 will be four years.



**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011

<b>GENERAL INFORMATION (CONTINUED)</b>	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
General Advertising Expense	87,625.15
Association Dues, Chambers of Commerce	151,203.79
Directors Fees	49,350.00
Directors Travel, Meetings and Mileage	19,078.36
Directors Meeting Registration	6,099.00
Directors Insurance	42,895.36
Annual Meeting	91,138.63
Employee Dinners	4,471.06
Directors' Miscellaneous - meals, publications, travel & accident insurance	4,985.99
Property Insurance Allocation	4,405.16
Property Tax Allocation	2,947.02
Directors' Liability Insurance	7,737.00
Service Awards	4,498.47
TOTAL	476,434.99

**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 3, Item 59: Increase due primarily to increase in rates.

Page 3, Item 60: Increase due to economic downturn and higher electric bills.

Page 3, Item 62: Increase due to rate increases for pole rental.

Page 4: Cash provided by financing activities "other" represents change in accrued post retirement benefits.

Page 5, Account 583: Payroll charged to expense from work order closing decreased by \$226,250 due to ice storm work order closed during FY 2010.

Page 5, Account 586: Estimated labor credit from first installation of meters decreased by \$95,200 due to fewer meter purchases during FY 2011

Page 6, Account 571: Decrease due to less maintenance performed on transmission lines this FY.

Page 6, Account 593: Routine maintenance decreased approximately \$197,000 this FY. However, ROW program expenses increased approximately \$608,000 and expense from major storms increased by \$42,000.

Page 6, Account 595: Increase in transformer maintenance expense was due to less last year from having an employee on disability. Employee returned to work during FY 2011 and also had an additional employee assigned this task.

Page 7, Items 101, 104 and 115: Inverse relationship between revenue and power cost vs. retail and wholesale due to rate increases during FY 2011.

Page 7, Items 124 and 125: Decrease in line loss kWh and percentage is due to having extreme hot temperatures during May and June 2010.

Page 9, Account 368: Increase due to transformer purchases associated with upgrade projects.

Page 10, Account 107: Increase due to new office building construction project and substation upgrade projects currently in process.

Page 11, Accounts 364, 365, 368 and 371: Decrease in retirements due to large amount of retirements associated with Ice Storm 2009 being reflected in FY 2010 report.

Page 11, Accounts 391 and 397: Retired plant having no salvage value.

Page 11, Accounts 397 and 398: Depreciation discontinued during FY 2011.

Pages 9, 10, 11 and 13: Electric substation plant sold to Mayfield EWS at NBV of \$25,000 and electric distribution plant to Jackson Purchase EC at NBV of \$60,000.

Pages 21, 22 and 23: Refinanced RUS note numbers B270 - B304 with CoBank.

Page 24a: CoBank Line of Credit advance was for accrued interest payoff when refinancing RUS debt.

**West Kentucky 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
David E. Smart	President, CEO	100.00
Ron N. Mays	V.P. Finance & Administration	100.00
Jack R. Clifford	Financial Officer/Accounting Manager	100.00
Anita Weatherly	Plant Accounting Supervisor	100.00
Julie Pittman	Member Billing Supervisor	100.00
Jamie Sears	Communications Director	100.00
Tim Vied	Manager of Engineering Services	100.00
Johnny Jackson	Operations Manager	100.00
Jimmy Greer	Construction & Maintenance Supervisor	100.00
Kim Grogan	Director of Safety	100.00
Jerry Wise	Right-of-Way Foreman	100.00
Roger Gough	Technology Coordinator	100.00
Marcia Pritchett	Human Resources Coordinator	100.00
<b>(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 85</b>		

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

RETAINED EARNINGS ADJUSTMENT(S)		
Order	Amount	Description Reason
Total	\$0.00	

T 100.

West Kentucky Rural Electric Cooperative Corporation

\_\_\_\_\_  
Name of Organization

1218 West Broadway Mayfield, KY 42066-0589

\_\_\_\_\_  
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, 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)

\_\_\_\_\_  
Jack R. Clifford  
Accountant in charge of books

\_\_\_\_\_  
David E. Smart  
Manager

08/13/2012

\_\_\_\_\_  
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.

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

BALANCE SHEET				
ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
<b>UTILITY PLANT</b>				
Electric Plant.....	10	1	144,693,701.14	137,039,725.58
Less Depreciation.....	10	2	36,425,190.93	34,407,132.57
<b>Total</b> .....	10	3	108,268,510.21	102,632,593.01
Unamortized acq. adj.....	13	4		
Other utility plant - net.....	----	5		
<b>Total Plant - net</b> .....	----	6	108,268,510.21	102,632,593.01
<b>OTHER PROPERTY AND INVESTMENTS</b>				
Nonutility property - net.....	15	7	6,956.52	6,956.52
Other investments.....	14	8	2,158,135.48	2,042,889.83
Sinking funds.....	15	9		
Depreciation funds.....	15	10		
Other special funds.....	15	12	56,526.17	54,911.74
<b>Total</b> .....	----	13	2,221,618.17	2,104,758.09
<b>CURRENT AND ACCRUED ASSETS</b>				
General cash and temporary cash investments.....	14	14	6,268,368.25	7,418,118.57
Accounts receivable.....	16	15	7,038,048.52	7,576,071.92
Materials and supplies.....	17	16	1,187,424.82	1,310,578.50
Prepayments.....	17	17	286,640.96	305,123.01
Other current assets.....	17	18	292,266.99	296,798.05
<b>Total</b> .....	----	19	15,072,749.54	16,906,690.05
<b>DEFERRED DEBITS</b>				
Debt expense.....	17	20		
Preliminary survey.....	----	21	40,263.40	
Clearing accounts.....	----	22	(550.32)	10,519.51
Energy Service Loans Receivables.....	----	24	227,498.37	241,143.51
Deferred costs on TVA Leases.....	17	25		
Other deferred debits.....	17	26	40,471.46	35,949.20
<b>Total</b> .....	----	27	307,682.91	287,612.22
<b>TOTAL ASSETS AND OTHER DEBITS</b> .....	----	28	125,870,560.83	121,931,653.37
<b>LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER</b>				

**West Kentucky 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
<b>CAPITAL</b>				
Membership certificates.....	----	30	160,950.00	160,095.00
<b>EARNINGS REINVESTED IN SYSTEM ASSETS</b>				
Beginning of year.....	----	33	59,734,544.79	51,367,700.40
Current year.....	3	34	7,538,601.54	8,366,844.39
<b>Total</b> .....	----	35	67,273,146.33	59,734,544.79
<b>LONG-TERM DEBT</b>				
RUS.....	23	36	14,904,239.21	20,546,132.34
CFC.....	23	37	1,218,657.79	2,057,007.20
CoBank.....	23	38	20,203,627.81	17,350,046.01
Bonds and other long-term debt.....	25	39.1		
TVA.....	25	39.3	3,818,520.15	4,060,127.35
Debt premium and discount.....	----	40		
<b>Total</b> .....	----	41	40,145,044.96	44,013,312.90
<b>OTHER NON-CURRENT LIABILITIES</b>				
Postretirement Benefits.....	25	39.2	919,387.26	953,109.93
Energy Service Loans - Advances.....	----	42	231,901.96	245,311.55
Energy Service Loans - Other.....	----	43		
<b>Total</b> .....	----	44	1,151,289.22	1,198,421.48
<b>CURRENT AND ACCRUED LIABILITIES</b>				
TVA notes payable.....	26	45.1		
Other notes payable.....	26	45.2		
Accounts payable.....	26	46	11,885,073.29	11,635,513.58
Customer deposits.....	26	47	1,915,961.79	1,848,875.67
Taxes and equivalents accrued.....	29	48	433,720.15	406,998.66
Interest accrued - RUS.....	23	49		
Interest accrued - CFC.....	23	50	7,045.65	10,590.72
Interest accrued -CoBank.....	23	51		
Interest accrued -TVA.....	26	52.1	4,054.95	4,987.88
Interest accrued - other.....	26	52.2		
Other current liabilities.....	26	53	1,510,137.58	1,479,769.04
<b>Total</b> .....	----	54	15,755,993.41	15,386,735.55
<b>DEFERRED CREDITS</b>				
Advances for construction - refundable.....	18	55	1,214,298.17	1,214,854.45
Other deferred credits.....	26	56	169,838.74	223,689.20
<b>Total</b> .....	----	57	1,384,136.91	1,438,543.65
<b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>	----	58	<b>125,870,560.83</b>	<b>121,931,653.37</b>



**West Kentucky 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
<b>OPERATING REVENUE</b>				
Electric sales revenue (page 7, item 332) . . . . .	----	59	82,384,843.43	87,104,140.89
Revenue from late payments . . . . .	----	60	688,368.75	745,051.63
Misc. service revenue . . . . .	----	61	321,497.23	324,885.50
Rent from electric property . . . . .	----	62	1,450,839.66	1,093,904.64
Other electric revenue . . . . .	----	63	12,469.80	11,663.21
<b>Total operating revenue . . . . .</b>	----	64	<b>84,858,018.87</b>	<b>89,279,645.87</b>
<b>PURCHASED POWER</b>				
<b>Total power cost (page 7, item 342) . . . . .</b>	7	65	<b>56,120,941.47</b>	<b>58,427,954.72</b>
<b>OPERATION EXPENSE</b>				
Transmission expense . . . . .	5	66		
Distribution expense . . . . .	5	67	3,007,207.91	2,825,839.92
Customer accounts expense . . . . .	5	68	2,637,351.14	2,563,788.58
Customer service and informational expense . . . . .	5	69	21,815.16	16,846.99
Sales expense . . . . .	5	70	175,256.33	176,182.35
Administrative and general expense . . . . .	6	71	2,008,984.09	1,969,884.50
<b>Operation expense . . . . .</b>	6	72	<b>7,850,614.63</b>	<b>7,552,542.34</b>
<b>MAINTENANCE EXPENSE</b>				
Transmission expense . . . . .	6	73	1,752.07	109.37
Distribution expense . . . . .	6	74	4,819,318.18	6,252,614.39
Administrative and general expense . . . . .	6	75	259,760.49	96,275.86
<b>Maintenance expense . . . . .</b>	6	76	<b>5,080,830.74</b>	<b>6,348,999.62</b>
<b>OTHER OPERATING EXPENSE</b>				
Depreciation expense . . . . .	12	77	4,300,260.41	4,189,280.57
Amortization of acquisition adjustment . . . . .	13	78		
Taxes and tax equivalents . . . . .	29	79	2,386,679.62	2,523,992.59
<b>Other operating expense . . . . .</b>	----	80	<b>6,686,940.03</b>	<b>6,713,273.16</b>
<b>TOTAL OPERATING EXPENSE AND PURCHASED POWER . . . . .</b>	----	81	<b>75,739,326.87</b>	<b>79,042,769.84</b>
<b>INCOME</b>				
Operating income (item 64, less item 81) . . . . .	----	82	9,118,692.00	10,236,876.03
Other income . . . . .	16	83	323,109.03	227,175.26
<b>Total income . . . . .</b>	----	84	<b>9,441,801.03</b>	<b>10,464,051.29</b>
Miscellaneous income deductions . . . . .	16	85	45,879.25	38,026.43
<b>Net income before debt expense . . . . .</b>	----	86	<b>9,395,921.78</b>	<b>10,426,024.86</b>
<b>DEBT EXPENSE</b>				
Interest on long-term debt - RUS . . . . .	23	87	864,066.46	1,255,553.35
Interest on long-term debt - CFC . . . . .	23	88	115,220.44	157,377.34
Interest on long-term debt - CoBank . . . . .	23	89	771,141.65	564,705.79
Interest on long-term debt - other . . . . .	26	90.1		
Interest - TVA . . . . .	26	90.2	21,169.85	25,516.58
Other interest expense . . . . .	----	92	85,721.84	56,027.41
Amortization of debt discount and expense . . . . .	----	93		
Amortization of premium on debt - credit . . . . .	----	94		
<b>Total debt expense . . . . .</b>	----	95	<b>1,857,320.24</b>	<b>2,059,180.47</b>
<b>NET INCOME</b>				
Net income before extraordinary items (item 86, less item 95) . . . . .	----	96	7,538,601.54	8,366,844.39
Extraordinary items . . . . .	33	97		
<b>Net income . . . . .</b>	2	98	<b>7,538,601.54</b>	<b>8,366,844.39</b>

**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

<b>STATEMENT OF CASH FLOWS</b>		
Increase (Decrease) in Cash and Cash Equivalents		
	THIS YEAR	LAST YEAR
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Net Income .....	7,538,601.54	8,366,844.39
<b>Adjustments to Reconcile Net Income to Net Cash:</b>		
Depreciation .....	4,594,138.75	4,461,342.61
<b>Amortization of:</b>		
Acquisition Adjustment .....		
Additions to TVA Leases .....		
Debt Premium or Discount .....		
(Gain) or Loss on Sale of Plant .....		
<b>Changes in Current and Deferred Items:</b>		
Accounts Receivable .....	538,023.40	(151,704.25)
Materials and Supplies .....	123,153.68	55,543.79
Prepayments and Other Current Assets .....	23,013.11	10,335.45
Deferred Debits .....	(33,715.83)	2,146.10
Accounts Payable .....	249,559.71	1,795,057.04
Customer Deposits .....	67,086.12	59,522.12
Taxes and Interest Accrued .....	22,243.49	(2,735.55)
Other Current Liabilities .....	30,368.54	(955,148.27)
Deferred Credits .....	(54,406.74)	67,025.87
Other: .....		
<b>Net Cash Provided by (Used in) Operating Activities .....</b>	<b>13,098,065.77</b>	<b>13,708,229.30</b>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Additions to Plant .....	(9,705,314.08)	(7,207,878.16)
Removal Cost .....	(753,248.42)	(758,571.84)
Salvage .....	228,506.55	129,268.88
Net Change in Other Property and Investment .....	(116,860.08)	427,390.19
Energy Service Loans Receivable .....	13,645.14	(11,712.85)
Plant Sold (Purchased) - Noninstallment Method .....		85,000.00
Deferred Costs on TVA Leases (excluding amortization) .....		
Other: .....		
<b>Net Cash Provided by (Used in) Investing Activities .....</b>	<b>(10,333,270.89)</b>	<b>(7,336,503.78)</b>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Additional Long-Term Borrowings .....	5,321,746.01	15,713,949.26
Payment of Principal on Long-Term Debt .....	(9,190,013.95)	(20,782,338.38)
Notes Payable .....		
Memberships .....	855.00	815.00
Energy Service Loans Advances .....	(13,409.59)	11,825.35
Receipt for Plant Sold - Installment Method .....		
Payment for Plant Purchased - Installment Method .....		
Other: .....	(33,722.67)	17,349.12
<b>Net Cash Provided by (Used in) Financing Activities .....</b>	<b>(3,914,545.20)</b>	<b>(5,038,399.65)</b>
<b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS ..</b>	<b>(1,149,750.32)</b>	<b>1,333,325.87</b>
CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR .....	7,418,118.57	6,084,792.70
CASH AND TEMPORARY INVESTMENTS END OF YEAR .....	6,268,368.25	7,418,118.57
<p><b>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.</b></p>		

# West Kentucky 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
<b>OPERATING EXPENSE</b>					
<b>1. TRANSMISSION</b>					
560	Supervision and engineering. . . . .				
561	Load dispatching. . . . .				
562	Station expense. . . . .				
563	Overhead line expense. . . . .				
564	Underground line expense. . . . .				
566	Miscellaneous. . . . .				
567	Rents. . . . .				
(600)	<b>Total transmission operating expense (page 3, item 66).</b>				
<b>2. DISTRIBUTION</b>					
580	Supervision and engineering. . . . .	55,223.17	47,133.66	23,265.75	21,999.53
581	Load dispatching. . . . .				
582	Station expense. . . . .	145,422.82	143,313.61	6,605.14	10,488.32
583	Overhead line expense. . . . .	1,546,309.84	1,383,118.71	179,624.26	149,679.12
584	Underground line expense. . . . .	83,058.40	81,075.22	21,861.59	22,271.52
585	Street lighting and signal system expense. . . . .	7,556.37	7,080.10	3,158.23	3,118.97
586	Meter expense. . . . .	566,540.07	550,878.12	143,713.92	159,312.93
587	Customer installation expense. . . . .	305,004.18	307,951.54	134,539.05	136,917.56
588	Miscellaneous. . . . .	247,092.32	249,872.58	86,706.20	82,590.81
589	Rents. . . . .	51,000.74	55,416.38		
(605)	<b>Total distribution operating expense (page 3, item 67).</b>	<b>3,007,207.91</b>	<b>2,825,839.92</b>	<b>599,474.14</b>	<b>586,378.76</b>
<b>3. CUSTOMER ACCOUNTS EXPENSE</b>					
901	Supervision. . . . .	187,862.93	190,566.82	113,556.38	112,914.87
902	Meter reading expense. . . . .	417,495.01	413,846.87	3,624.06	3,497.53
903	Customer records and collection expense. . . . .	1,915,393.58	1,794,464.52	821,301.41	752,242.10
904	Uncollectible accounts. . . . .	115,277.02	163,651.29		
905	Miscellaneous. . . . .	1,322.60	1,259.08		
(610)	<b>Total customer accounts expense (page 3, item 68).</b>	<b>2,637,351.14</b>	<b>2,563,788.58</b>	<b>938,481.85</b>	<b>868,654.50</b>
<b>4. CUSTOMER SERVICES &amp; INFORMATIONAL EXPENSE</b>					
907	Supervision. . . . .				
908	Customer assistance expense. . . . .	6,583.36	1,330.42		761.08
909	Informational and instructional advertising expense. . . . .	14,850.16	15,150.85	3,421.60	3,078.06
910	Miscellaneous customer service and informational expense. . . . .	381.64	365.72		
(615)	<b>Total customer services and informational expense (page 3, item 69).</b>	<b>21,815.16</b>	<b>16,846.99</b>	<b>3,421.60</b>	<b>3,839.14</b>
<b>5. SALES EXPENSE</b>					
911	Supervision. . . . .				
912	Demonstrating and selling expense. . . . .	150,501.99	149,867.20	79,893.51	79,442.44
913	Advertising expense. . . . .	24,372.70	25,934.52	5,488.01	5,682.93
916	Miscellaneous. . . . .	381.64	380.63		
(620)	<b>Total sales expense (page 3, item 70).</b>	<b>175,256.33</b>	<b>176,182.35</b>	<b>85,381.52</b>	<b>85,125.37</b>

# West Kentucky 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
<b>6. ADMINISTRATIVE &amp; GENERAL</b>					
920	Administrative and general salaries. ....	1,219,114.80	1,148,769.23	735,756.99	684,709.31
921	Office supplies and expense. ....	260,838.70	244,789.95		
922	Administrative expense transferred - credit*. ....				
923	Outside services employed. ....	22,314.94	101,455.56		
924	Property insurance. ....				
925	Injuries and damages. ....	2,259.36			
926	Employee pensions and benefits. ....				
927	Franchise requirements*. ....				
928	Regulatory commission expense*. ....				
929	Duplicate charges - credit. ....	(14,730.53)	(14,621.23)		
930	Miscellaneous general expense. ....	505,442.82	476,434.99	29,043.57	26,322.10
931	Rents. ....	13,744.00	13,056.00		
(625)	<b>Total administrative and general expense (page 3, item 71). . . .</b>	<b>2,008,984.09</b>	<b>1,969,884.50</b>	<b>764,800.56</b>	<b>711,031.41</b>
(630)	<b>Total operating expense (Page 3 Item 72). . . . .</b>	<b>7,850,614.63</b>	<b>7,552,542.34</b>	<b>2,391,559.67</b>	<b>2,255,029.18</b>
<b>MAINTENANCE EXPENSE</b>					
<b>1. TRANSMISSION</b>					
568	Supervision and engineering. ....				
569	Maintenance of structures. ....				
570	Maintenance of station equipment. ....				
571	Maintenance of overhead lines. ....	1,752.07	109.37	726.72	30.44
572	Maintenance of underground lines. ....				
573	Miscellaneous. ....				
(635)	<b>Total transmission maintenance expense (page 3, item 73). . . .</b>	<b>1,752.07</b>	<b>109.37</b>	<b>726.72</b>	<b>30.44</b>
<b>2. DISTRIBUTION</b>					
590	Supervision and engineering. ....	41,929.31	40,150.51	23,216.40	21,555.66
591	Maintenance of structures. ....				
592	Maintenance of station equipment. ....	549,112.02	305,513.91	183,547.07	80,356.21
593	Maintenance of overhead lines. ....	3,666,417.16	5,297,717.65	1,022,688.33	1,059,808.62
594	Maintenance of underground lines. ....	15,910.12	16,958.70	7,420.33	11,745.24
595	Maintenance of line transformers. ....	262,227.99	281,245.56	132,146.01	140,421.80
596	Street lighting and signal systems. ....	7,236.47	7,192.47	3,862.49	3,821.06
597	Maintenance of meters. ....	164,591.17	159,419.36	93,168.41	87,839.05
598	Maintenance of miscellaneous distribution plant. ....	111,893.94	144,416.23	44,369.60	61,368.32
(640)	<b>Total distribution maintenance expense (page 3, item 74). . . . .</b>	<b>4,819,318.18</b>	<b>6,252,614.39</b>	<b>1,510,418.64</b>	<b>1,466,915.96</b>
<b>3. ADMINISTRATIVE &amp; GENERAL</b>					
935	Maintenance of general plant (page 3, items 75). ....	259,760.49	96,275.86	25,732.76	1,168.34
(645)	<b>Total maintenance expense (page 3, item 76). . . . .</b>	<b>5,080,830.74</b>	<b>6,348,999.62</b>	<b>1,536,878.12</b>	<b>1,468,114.74</b>
(650)	<b>Total operating and maintenance expense. . . . .</b>	<b>12,931,445.37</b>	<b>13,901,541.96</b>	<b>3,928,437.79</b>	<b>3,723,143.92</b>
(655)	Total direct and indirect payroll charged to construction and retirements. ....			1,805,924.32	1,473,400.34
(660)	Payroll charged to other accounts. ....			61,788.29	112,042.93
(662)	Fiscal year net change in accrued leave account - (increase) decrease. ....			8,779.33	(63,190.40)
(665)	<b>Total payroll distribution for year. . . . .</b>			<b>5,804,929.73</b>	<b>5,245,396.79</b>

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

**West Kentucky 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	54,083,554.50	58,673,258.06	107	444,264,086	488,753,919
Gen. Power - 50 kW & under. . . . .	101	10,103,643.36	10,477,016.45	108	67,628,940	70,051,041
Gen. Power - Over 50 kW. . . . .	102	16,590,433.15	16,350,779.66	109	167,408,511	170,767,224
Street and athletic. . . . .	103	189,629.44	182,254.38	110	2,008,113	1,886,955
Outdoor lighting. . . . .	104	1,417,582.98	1,420,832.34	111	9,625,597	10,042,635
<b>Subtotal. . . . .</b>	<b>330</b>	<b>82,384,843.43</b>	<b>87,104,140.89</b>			
Unbilled revenue*. . . . .	331					
<b>Total (page 3, item 59). . . . .</b>	<b>332</b>	<b>82,384,843.43</b>	<b>87,104,140.89</b>	<b>335</b>	<b>690,935,247</b>	<b>741,501,774</b>
Kilowatt-hours for own use. . . . .				113	162,832	161,070
<b>Total kilowatt-hours sold and used. . . . .</b>				<b>114</b>	<b>691,098,079</b>	<b>741,662,844</b>
Kilowatt-hours in unbilled revenue (items 331) above*. . . . .				<b>336</b>		

STATE	SALES TAX
KY	1,212,800.99
<b>Total</b>	<b>1,212,800.99</b>

**TO ABOVE CLASSES OF REVENUE**

Residential. . . . .	380.99
Gen. Power - 50 kW & under. . . . .	44,656.62
Gen. Power - Over 50kW. . . . .	210,443.20

**CREDITS**

**GREEN POWER REVENUE**


**PURCHASED POWER**

TVA	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Purchased Power. . . . .	115	55,745,390.19	58,055,768.36	119	742,440,421	787,496,256
Facilities Rental. . . . .	116	375,551.28	372,186.36			
Other Charges/Credits. . . . .	117					
<b>Total from TVA. . . . .</b>	<b>118</b>	<b>56,120,941.47</b>	<b>58,427,954.72</b>	<b>122</b>	<b>742,440,421</b>	<b>787,496,256</b>
Other Purchased Power**. . . . .	218			222		
<b>Subtotal. . . . .</b>	<b>340</b>	<b>56,120,941.47</b>	<b>58,427,954.72</b>			
Unbilled Purchases*. . . . .	341					
<b>Total (page 3, item 65). . . . .</b>	<b>342</b>	<b>56,120,941.47</b>	<b>58,427,954.72</b>	<b>345</b>	<b>742,440,421</b>	<b>787,496,256</b>
Less kilowatt hours sold and used (item 114). . . . .				123	691,098,079	741,662,844
Line losses and kilowatt-hours unaccounted for. . . . .				124	51,342,342	45,833,412
Percent of losses to purchases (2 decimal places). . . . .				125	6.92	5.82
Kilowatt-hours in unbilled purchases (Item 341) above*. . . . .				<b>346</b>		

\*\*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)	30,469	30,426	Pole Line Miles: (2 decimal places) (715)	3,179.54	3,170.45
Gen. Power - 50 kW & under. . . (680)	7,514	7,327	Individual Outdoor Lts.		
Gen. Power - Over 50 kW. . . . (685)	354	337	No. in plant. . . . . (720)	15,627	15,145
Street and athletic. . . . . (690)	85	85	Total investment. . . . . (725)	4,574,512.24	4,515,330.70
Outdoor Lighting - Excl. Code 77. . . . . (693)			O&M expense. . . . . (730)	170,998.51	183,799.41
<b>Total. . . . . (695)</b>	<b>38,422</b>	<b>38,175</b>	St. Ltg-Invest. Base. . . . . (735)	345,333.87	344,874.86
Outdoor Lighting - Code 77. . . . (697)	10,292	10,188	O&M expense. . . . . (740)	14,792.84	14,272.57
			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.

**West Kentucky 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	
Benton				
Hardin				
Cambridge Shores				
Calvert City				
Hazel				
Calloway County Board of Education				
Murray				
Graves County Board of Education				
Wingo				
Milburn				
Arlington				
Kentucky Dept of Highways				
Water Valley				
Kentucky Dam Village Estates				
City of Mayfield				
TOTAL:				

# West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

## ELECTRIC PLANT

ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS DEBIT	CREDIT	BALANCE END OF YEAR
	<b>INTANGIBLE</b>						
301	Organization.....						
302	Franchises and consents.....						
303	Miscellaneous.....						
(750)	<b>Total intangible.....</b>						
	<b>PRODUCTION</b>						
755	<b>Total production.....</b>						
	<b>TRANSMISSION</b>						
350	Land and land rights.....						
351	Clearing land and rights of way.....						
352	Structures and improvements.....	25,739.98					25,739.98
353	Station equipment.....	122,890.31					122,890.31
354	Towers and fixtures.....	63,848.10	17,630.92	3,843.98			77,635.04
355	Poles and fixtures.....	288,221.12	19,477.81	19,258.61			288,440.32
356	Overhead conductors and devices.....	144,189.13					144,189.13
357	Underground conduit.....						
358	Underground conductors and devices.....						
359	Roads and trails.....						
(760)	<b>Total transmission.....</b>	<b>644,888.64</b>	<b>37,108.73</b>	<b>23,102.59</b>			<b>658,894.78</b>
	<b>DISTRIBUTION</b>						
360	Land and land rights.....	205,256.79	18,035.00				223,291.79
361	Structures and improvements.....	421,818.22					421,818.22
362	Station equipment.....	10,560,662.86	42,546.54	910.36			10,602,299.04
363	Storage battery equipment.....						
364	Poles, towers, and fixtures.....	52,065,750.45	1,631,621.23	744,644.51			52,952,727.17
365	Overhead conductors and devices.....	16,186,244.47	682,584.40	209,821.23			16,659,007.64
366	Underground conduit.....	3,542,049.91	205,723.78	2,527.69			3,745,246.00
367	Underground conductors and devices.....	3,565,650.28	304,823.14	21,834.33			3,848,639.09
368	Line transformers.....	25,271,418.86	1,773,866.71	417,611.51			26,627,674.06
369	Services.....	5,703,295.88	272,208.91	174,423.43			5,801,081.36
370	Meters.....	3,691,765.99	125,708.00	110,747.25			3,706,726.74
371	Inst. on customers' premises.....	4,515,330.70	216,399.30	156,676.19			4,575,053.81
372	Leased prop. on cust. premises.....	33,239.00					33,239.00
373	St. lighting and signal systems.....	344,874.86	2,046.61	1,587.60			345,333.87
(765)	<b>Total distribution.....</b>	<b>126,107,358.27</b>	<b>5,275,563.62</b>	<b>1,840,784.10</b>			<b>129,542,137.79</b>

## West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

### ELECTRIC PLANT

ACCT. NO.	GENERAL	BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS	BALANCE END OF YEAR
					DEBIT      CREDIT	
389	Land and land rights. . . . .	116,104.45				116,104.45
390	Structures and improvements. . . . .	2,210,308.99	140,314.40	5,089.56		2,345,533.83
391	Office furniture and equipment. . . . .	812,189.56	92,521.00	4,379.97		900,330.59
392	Transportation equipment. . . . .	3,185,465.41	391,605.98	173,753.98		3,403,317.41
393	Stores equipment. . . . .	32,761.80				32,761.80
394	Tools, shop, and garage equip. . . . .	502,461.21	40,021.80			542,483.01
395	Laboratory equipment. . . . .	194,200.92				194,200.92
396	Power operated equipment. . . . .					
397	Communication equipment. . . . .	429,940.84		3,905.43		426,035.41
398	Miscellaneous equipment. . . . .	79,979.15	1,192.03	322.89		80,848.29
399	Other tangible property. . . . .					
(770)	<b>Total general. . . . .</b>	<b>7,563,412.33</b>	<b>665,655.21</b>	<b>187,451.83</b>		<b>8,041,615.71</b>
101	<b>Total plant in service. . . . .</b>	<b>134,315,659.24</b>	<b>5,978,327.56</b>	<b>2,051,338.52</b>		<b>138,242,648.28</b>
102	Electric plant purchased or sold. . . . .					
104	Electric plant leased to others. . . . .					
105	Electric plant for future use. . . . .	251,539.23				251,539.23
107	Construction work in progress. . . . .	2,472,527.11	3,726,986.52			6,199,513.63
(775)	<b>Total other electric plant. . . . .</b>	<b>2,724,066.34</b>	<b>3,726,986.52</b>			<b>6,451,052.86</b>
(780)	<b>Total electric plant (page 1, item 1). . . . .</b>	<b>137,039,725.58</b>	<b>9,705,314.08</b>	<b>2,051,338.52</b>		<b>144,693,701.14</b>
			(Item 140)			
	<b>RESERVES</b>					
108	Accumulated provision for depreciation of electric plant in service. . . . .				36,425,190.93	
109	Accumulated provision for depreciation of electric plant leased to others. . . . .					
110	Accumulated provision for depreciation of electric plant held for future use. . . . .					
	<b>Total accumulated provision for depreciation (page 1, item 2 and page 11). . . . .</b>				<b>36,425,190.93</b>	
	<b>Total electric plant, less accumulated provision for depreciation (page 1, item 3). . . . .</b>					<b>108,268,510.21</b>

**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:



# West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

PAGE 11

ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ACCUMULATED PROVISION FOR DEPRECIATION (Page 10)			OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
				ORIGINAL COST	REMOVAL COST	SALVAGE	DEBIT	CREDIT		
350										
351										
352	3.00	21,444.11	772.20					22,216.31	86	
353	3.00	111,695.52	3,686.76					115,382.28	94	
354	3.00	22,849.16	2,165.94	3,843.98	4,855.71			16,315.41	21	
355	3.00	106,722.78	8,459.03	19,258.61	5,003.83			90,919.37	32	
356	3.00	94,214.02	4,325.66					98,539.68	68	
357										
358										
359										
<b>(785) TOTAL</b>		<b>356,925.59</b>	<b>19,409.59</b>	<b>23,102.59</b>	<b>9,859.54</b>			<b>343,373.05</b>	<b>52</b>	
360	4.23	88,171.70	4,647.12					92,818.82	42	
361	3.00	409,969.53	334.08					410,303.61	97	
362	3.00	4,521,465.66	304,899.54	910.36	900.29	1,293.53		4,825,848.08	46	
363										
364	3.00	3,736,676.73	1,574,342.63	744,644.51	455,131.31	25,034.95		4,136,278.49	8	
365	2.75	4,138,040.50	450,139.62	209,821.23	81,143.44	1,083.98		4,298,299.43	26	
366	4.00	931,708.90	145,581.02	2,527.69	684.49	12.00		1,074,089.74	29	
367	4.00	1,230,774.78	148,541.57	21,834.33	12,898.07	348.08		1,344,932.03	35	
368	3.00	9,856,610.49	781,408.70	417,611.51	25,163.71	150,731.37		10,345,975.34	39	
369	6.00	2,836,720.70	346,246.44	174,423.43	52,042.74	1,407.59		2,957,908.56	51	
370	2.50	578,680.46	92,983.55	110,747.25		3,179.50		564,096.26	15	
371	5.00	825,685.96	226,765.87	156,676.19	115,064.36	23,811.55		804,522.83	18	
372	5.00	17,980.20	1,561.44					19,541.64	59	
373	4.00	166,323.76	13,813.83	1,587.60	360.47			178,189.52	52	
<b>(790) TOTAL</b>		<b>29,338,809.37</b>	<b>4,091,265.41</b>	<b>1,840,784.10</b>	<b>743,388.88</b>	<b>206,902.55</b>		<b>31,052,804.35</b>	<b>24</b>	
389										
390	2.5-5	1,228,990.21	70,535.86	5,089.56				1,294,436.51	55	
391	4/10	675,135.66	76,607.86	4,379.97		25.00		747,388.55	83	
392	Var	1,440,382.66	293,878.34	173,753.98		21,579.00		1,582,086.02	46	
393		4,709.44						4,709.44	14	
394	8.00	412,694.76	41,249.67					453,944.43	84	
395	0.00	194,200.92						194,200.92	100	
396										
397	8.00	429,940.85	(.01)	3,905.43				426,035.41	100	
398	8.00	79,979.15	1,192.03	322.89				80,848.29	100	
399										
<b>(795) TOTAL</b>		<b>4,466,033.65</b>	<b>483,463.75</b>	<b>187,451.83</b>		<b>21,604.00</b>		<b>4,783,649.57</b>	<b>59</b>	
<b>(800) OTHER</b>		<b>245,363.96</b>						<b>245,363.96</b>	<b>4</b>	
<b>(805) TOTALS</b>		<b>34,407,132.57</b>	<b>4,594,138.75</b>	<b>2,051,338.52</b>	<b>753,248.42</b>	<b>228,506.55</b>		<b>36,425,190.93</b>	<b>26</b>	

(Item 142) (Item 138)

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

**West Kentucky 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)	4,300,260.41
Depreciation charged to transportation expense - clearing .....	(815)	293,878.34
Depreciation charged to building expense - clearing .....	(820)	
Depreciation charged to other accounts (list each account number) .....	(825)	
	(830)	
	(835)	
	(840)	
<b>Total accrual (page 11) .....</b>	<b>(Item 128)</b>	<b>4,594,138.75</b>

Explanations (continue on page 33 if necessary)

**West Kentucky 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) .....	
<b>Total</b> .....	
Charged to expense (Account 406) (page 3, item 78) .....	
Other reductions (explain below) .....	
<b>Balance end of year (page 1, item 4)</b> .....	

ELECTRIC PLANT PURCHASED THIS YEAR*			
			TOTAL
From whom property acquired (abbreviate) .....			
Date acquired .....			
Original cost .....			
Corrections to date .....			
<b>Total original cost</b> .....			
Depreciation reserve at acquisition .....			
Corrections to date .....			
<b>Total depreciation reserve</b> .....			
Base contract purchase price .....			
Net additions .....			
Acquisition expense .....			
Other (explain below) .....			
<b>Total purchase cost</b> .....			
..... (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) .....	

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

<b>INVESTMENTS IN ASSOCIATED COMPANIES</b> (Report only the investments not considered as current assets)			
<b>OTHER INVESTMENTS - GENERAL FUNDS</b>			
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
Stockholder Loan - CSA	51,482.14	987.96	
Pat. Capital-CFC,WKRTCC, UUS, KAEC, FEDERATED, COBANK	710,968.48	236,927.23	
Capital Term Certificates - NRUCFC	1,393,684.86	64,292.77	
Membership - NRUCFC, COBANK	2,000.00		
<b>Subtotal</b>	<b>2,158,135.48</b>	<b>302,207.96</b>	
	(page 1, item 8)	(account 419, page 16)	
<b>INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS</b>			
(Investments included in Accounts 125, 126, and 128 - page 15)			
NRUCFC - Medical Self Insurance / Property Tax / Building Fund Employee Savings Fund	56,526.17		
<b>Subtotal</b>	<b>56,526.17</b>		
	(page 15)	(account 419, page 16)	
<b>CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS</b>			
(Report only investments considered as current assets)			
NRUCFC Commercial Paper	4,806,699.40	5,532.05	
<b>Total Temporary Cash Investments</b>	<b>4,806,699.40</b>	<b>5,532.05</b>	
CASH (Accounts 131 - 135)	1,461,668.85	2,877.23	
<b>Subtotal</b>	<b>6,268,368.25</b>	<b>8,409.28</b>	
	(page 1, item 14)	(account 419, page 16)	
<b>Grand Total</b>	<b>8,483,029.90</b>	<b>310,617.24</b>	

## West Kentucky 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. . . . .				56,526.17	56,526.17
Investments in fund end of year (page 14). . . . .					
Balance of fund end of year (page 1). . . . .				56,526.17	56,526.17
	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)		
Minimum balance required*. . . . .					
Authority creating fund**. . . . .					

\* Explain difference if fund balance is less than minimum required.  
 \*\* State whether fund is required by bond contract, board action, etc.  
 Total Sinking

Depreciation

Construction

Other  
N/A

Note: Report all debt service funds as sinking funds.  
 Report all funds for renewals and replacements as depreciation funds.

### NONUTILITY PROPERTY (Account 121)

DESCRIPTION AND LOCATION OF PROPERTY	DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
House and Lot 1220 West Broadway, Mayfield, KY	12/1/1952	22,447.85	
Total . . . . .		22,447.85	
Less accumulated provision for depreciation (account 122). . . . .		15,491.33	
Total net of depreciation (page 1, item 7). . . . .		6,956.52	(page 16)

**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

ACCT. NO.	OTHER INCOME	
415	Revenue from merchandising, jobbing, etc. ....	28,518.51
416	Cost and expense of merchandising, etc. ....	(16,026.72)
417*	Income from nonutility operations - net of expense. ....	
418	Nonoperating rental income - net of expense (page 15). ....	
419	Interest and dividend income (page 14). ....	310,617.24
419.1	Interest charged to construction. ....	
421*	Misc. nonoperating income - net of expense. ....	
(845)	<b>Total other income (page 3, item 83). ....</b>	<b>323,109.03</b>

\*Explain these items briefly:                      417    421

ACCT. NO.	MISCELLANEOUS INCOME DEDUCTIONS	
425*	Miscellaneous amortization. ....	
426*	Miscellaneous income deductions. ....	45,879.25
(850)	<b>Total misc. income deductions (page 3, item 85). ....</b>	<b>45,879.25</b>

\*Explain these items briefly:                      425    426  
 Donated labor, transportation, and overheads; Washington Youth Tour; Senior Scholarships; Donation of electric grills and smokers for charity auctions; American Cancer Society; Cash donations for schools' activities.

**INVESTMENT PROCEDURES**

Are investments in excess of \$100,000 secured?     Yes     No    If yes, how?  
 Excess cash is invested in NRUCFC Commercial Paper which is rated P-1 by Moody's Investor Service, A-1 by Standard & Poor's, and F1 by Fitch Ratings. Cash in banks is secured by FDIC and pledged securities.

ACCT. NO.	RECEIVABLES	
141	Notes receivable (Explain on page 33). ....	
142	Customer accounts receivable. ....	6,843,687.41
143	Other accounts receivable. ....	285,005.92
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due). ....	
	<b>Total. ....</b>	<b>7,128,693.33</b>
144	Accumulated provision for uncollectible accounts. ....	90,644.81
	Accounts receivable net of reserve (page 1, item 15). ....	7,038,048.52

**AGE OF RECEIVABLES AT JUNE 30**

	ACCOUNT 141	ACCOUNT 142	ACCOUNT 143	ACCOUNT 146
Accounts with credit balances. ....		315,385.29	2,576.79	
Due after June 30. ....		6,372,951.06	25,865.88	
From 1 to 30 days past due. ....		615,022.44	263.32	
From 31 to 60 days past due. ....		99,798.32	57,839.79	
From 61 to 90 days past due. ....		43,215.21	168.19	
Over 90 days past due. ....		28,085.67	172,058.36	
<b>Totals (as above). ....</b>		<b>6,843,687.41</b>	<b>253,618.75</b>	

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ACCT. NO.	MATERIALS AND SUPPLIES	
154	Plant materials and operating supplies .....	1,147,820.64
155	Merchandise .....	5,990.46
156	Other materials and supplies .....	
163	Stores expense undistributed .....	33,613.72
(855)	<b>Total materials and supplies (page 1, item 16) .....</b>	<b>1,187,424.82</b>
Give dates of physical inventories this year: <u>05/18/2012</u>		
Total of adjustments: \$ _____ over, or \$ <u>11,647.70</u> short		
PREPAYMENTS - Account No. 165		
	Prepaid insurance .....	188,506.25
	Prepaid employee pension plan .....	
	Prepaid taxes (page 29) .....	7,532.99
	Prepaid rents .....	
	Other prepayments .....	90,601.72
	<b>Total prepayments (page 1, item 17) .....</b>	<b>286,640.96</b>
ACCT. NO.	OTHER CURRENT ASSETS	
171	Interest and dividends receivable .....	16,351.85
172	Rents receivable .....	275,915.14
173	Accrued utility revenue .....	
174	Miscellaneous current and accrued assets .....	
	<b>Total other current assets (page 1, item 18) .....</b>	<b>292,266.99</b>
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	
	<b>Total as above</b>	
186	Miscellaneous deferred debits (page 1, item 26)	40,471.46
List of Items:		
	Receivables from plant sales (item 148)	
	Other items (list):	
	Advances for Construction Receivable	
	Deferred Software Costs	40,471.46
	<b>Total as above</b>	<b>40,471.46</b>





**West Kentucky 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		CoBank Line of Credit		NCSC - TVA SUPPLEMENTAL LOAN		NRUCFC Line of Credit
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2012			120,803.60			
2013			241,607.20			
2014			241,607.20			
2015			241,607.20			
2016			241,607.20			
2017			241,607.20			
2018			241,607.20			
2019			241,607.20			
2020			241,607.20			
2021			241,607.20			
2022			241,607.20			
2023			241,607.20			
2024			241,607.20			
2025			241,607.20			
2026			241,607.20			
2027			115,004.65			
2028			72,803.80			
2029			72,803.80			
2030			54,603.50			
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			3,818,520.15			

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.

**West Kentucky 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				
NAME OF ISSUE 200	POST RETIREMENT BENEFITS				
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2012					120,803.60
2013					241,607.20
2014					241,607.20
2015					241,607.20
2016					241,607.20
2017					241,607.20
2018					241,607.20
2019					241,607.20
2020					241,607.20
2021					241,607.20
2022					241,607.20
2023					241,607.20
2024					241,607.20
2025					241,607.20
2026					241,607.20
2027					115,004.65
2028					72,803.80
2029					72,803.80
2030					54,603.50
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					3,818,520.15

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.

# West Kentucky 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 (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	INTEREST	DEFERRED INTEREST			
01-B310	9/23/2004	5.00	35	10/2004	3,000,000.00		2,684,318.12	84,062.27				
02-B311	3/24/2005	5.00	35	04/2005	3,000,000.00		2,701,361.25	84,593.95				
03-B320	2/17/2006	4.57	35	06/2007	3,000,000.00		48,161.91	128,238.09		2,775,658.16		
04-B321	11/16/2006	4.68	35	06/2007	2,000,000.00		31,622.61	87,657.39		1,852,991.62		
05-B322	3/14/2007	4.70	35	06/2007	2,800,000.00		44,033.84	123,294.16		2,595,365.42		
06-B323	11/1/2007	4.68	35	11/2007	3,200,000.00		50,568.51	141,047.49		2,981,778.06		
07-B324	5/13/2008	4.58	35	06/2007	2,500,000.00		40,193.05	109,806.95		2,346,199.86		
08-B325	9/24/2008	4.42	35	10/2008	2,500,000.00		41,633.84	105,366.16		2,352,246.09		
09-				/								
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11-				/								
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40-				/								
<b>(860) Total . . . . .</b>					<b>22,000,000.00</b>		<b>5,641,893.13</b>	<b>864,066.46</b>		<b>14,904,239.21</b>		
List Note Numbers Paid Monthly:					B310	B311	B320	B321	B322	B323	B324	B325

\*EXCLUDING CUSHION OF CREDIT.

# West Kentucky 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 (YR)	AMOUNT OF LOAN APPROVED	UNADVANCED LOAN	AMT REPaid THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-9009	7/8/1979	6.40	CFC	35	758,000.00		57,142.46	3,191.41	14,861.56	B250/52	20.00
02-9013	8/13/1980	6.50	CFC	35	2,120,000.00		131,853.11	34,023.36	450,627.34	B260/62	30.00
03-9016	5/14/1982	6.60	CFC	35	695,000.00		34,910.41	18,585.98	265,044.69	B270/72	30.00
04-9017	10/26/1986	6.65	CFC	35	936,000.00		37,064.44	33,374.08	488,124.20	B281/83	30.00
05-9019009	8/29/2003	5.25	CFC	9	577,378.99		577,378.99	29,590.68			
06-002349882	10/1/2009	2.97	COBANK	2	3,500,000.00		448,938.82	3,247.59			
07-002349917	10/1/2009	3.21	COBANK	3	3,800,000.00		1,297,045.90	36,143.27	330,809.80		
08-002448494	11/5/2010	4.31	COBANK	18	15,713,949.26		610,159.28	658,545.17	14,663,092.21		
09-002584133	2/15/2012	3.64	COBANK	15	5,321,746.01		112,020.21	73,205.62	5,209,725.80		
10-											
11-											
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39-											
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41-											
<b>(865) Total</b>					<b>33,422,074.26</b>		<b>3,306,513.62</b>	<b>889,907.16</b>	<b>21,422,285.60</b>		

**West Kentucky 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 . . . . .	14,904,239.21
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 . . . . .	
	Net balance due RUS as above (page 2, item 36) . . . . .	14,904,239.21
	Total additions to RUS long-term debt this year . . . . . (Item 132)	<input type="text" value=""/>
	Repayments for the year excluding advance payments . . . . . (Item 143)	<input type="text" value="5,641,893.13"/>
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) . . . . .	864,066.46
	Repayments this year . . . . .	864,066.46
	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 . . . . .	1,218,657.79
223.61	Patronage capital certificates - debit . . . . .	
223.62	Deferred patronage dividends - credit . . . . .	
	Net CFC account (account 223) ( page 2, item 37) . . . . .	1,218,657.79
	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="838,349.41"/>
INTEREST ACCRUED - CFC (Account 237.2)		
	Balance beginning of year (matured \$.00) . . . . .	10,590.72
	Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary) . . . . .	115,220.44
	Repayments this year . . . . .	118,765.51
	Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary) . . . . .	7,045.65
LONG-TERM DEBT - COBANK		
ACCT.	PRINCIPAL DATA	AMOUNT
229.10	Long Term Debt - CoBank - credit . . . . .	20,203,627.81
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) . . . . .	20,203,627.81
	Amount received on allotment this year . . . . . (Item 136)	<input type="text" value="5,321,746.01"/>
	Repayments this year . . . . . (Item 145)	<input type="text" value="2,468,164.21"/>
INTEREST ACCRUED - COBANK (Account 237.6)		
	Balance beginning of year (matured \$.00) . . . . .	
	Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary) . . . . .	771,141.65
	Repayments this year . . . . .	771,141.65
	Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary) . . . . .	

**West Kentucky 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: POST RETIREMENT BENEFITS  
 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. . . . .	953,109.93	Accrued beginning of year. . . . .	
Issued during year. . . . .	285,811.92	Accrued during year (427.3). . . . .	
Total. . . . .	1,238,921.85	Total. . . . .	
Bonds retired this year. . . . .	319,534.59	Payments during year. . . . .	
Balance end of year. . . . .	919,387.26	Balance end of Year. . . . .	
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .	919,387.26	Balance less matured (237.3). . . . .	

Name of issue: NCSC - TVA SUPPLEMENTAL LOAN  
 Date of issue: 06/30/1995 Amount of original issue: \$ 7,539,000.00  
 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: 2\15 Quarterly Principal due dates: 2\15 Quarterly Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: TVA - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of Issue: \$2,500,000 direct financing loan. Remainder supplemental to RUS loans.

Conditions under which bonds may be called:

Due in full within one year of submitting notice of cancellation of power contract with TVA.

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

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. . . . .	4,060,127.35	Accrued beginning of year. . . . .	4,987.88
Issued during year. . . . .		Accrued during year (427.3). . . . .	21,169.85
Total. . . . .	4,060,127.35	Total. . . . .	26,157.73
Bonds retired this year. . . . .	241,607.20	Payments during year. . . . .	22,102.78
Balance end of year. . . . .	3,818,520.15	Balance end of Year. . . . .	4,054.95
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .	3,818,520.15	Balance less matured (237.3). . . . .	4,054.95

**West Kentucky 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: NRUCFC Line of Credit  
 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: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ 4,000,000.00  
 Purpose of issue: NRUCFC Short Term Line of Credit used during cash flow shortages.

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. . . . .	357,060.35	Accrued during year (427.3). . . . .	
Total. . . . .	357,060.35	Total. . . . .	
Bonds retired this year. . . . .	357,060.35	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). . . . .	

Name of issue: CoBank Line of Credit  
 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: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ 10,000,000.00  
 Purpose of issue: Emergency Line of Credit issued during 2009 ice storm.

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. . . . .	10,829.58	Accrued during year (427.3). . . . .	.88
Total. . . . .	10,829.58	Total. . . . .	.88
Bonds retired this year. . . . .	10,829.58	Payments during year. . . . .	.88
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). . . . .	

**West Kentucky 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. ....				953,109.93	4,060,127.35
Issued during year. .... (Item 137)				285,811.92	
Total. ....				1,238,921.85	4,060,127.35
Bonds retired this year. .... (Item 146)				319,534.59	241,607.20
Balance end of year. ....				919,387.26	3,818,520.15
Including matured of (239). .... (Item 147)					
Balance less matured (221). ....				919,387.26	3,818,520.15

(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. ....	4,987.88
Accrued during year (427.3) (page 26). ....	21,169.85
Total. ....	26,157.73
Payments during year. ....	22,102.78
Balance end of year. ....	4,054.95
Including matured of (240). ....	
Balance less matured (237.3) (page 26). ....	4,054.95

\*Less TVA Long-term Debt and Postretirement Benefits



**West Kentucky 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..... 367,889.93						Accrued during year (as below)..... .88				
<b>Total..... 367,889.93</b>						<b>Total..... .88</b>				
Notes retired this year..... 367,889.93						Payments during year..... .88				
<b>Balance end of year.....</b>						<b>Balance end of year (as below).....</b>				
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.....										9,387.06
Balance customer deposits end of year (Account 235).....										1,906,574.73
<b>Total customer deposits (page 2, item 47).....</b>										<b>1,915,961.79</b>
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	7,045.65	427.2	3	88	115,220.44
224	RUS	23	237.1	2	49		427.1	3	87	864,066.46
229	CoBank	23	237.6	2	51		427.4	3	89	771,141.65
228	TVA long term	25	237.3	2	52.1	4,054.95	427.3	3	90.2	21,169.85
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	
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	.88
235	Customer Deposits	Above	235	Above	---		431	3	92	85,720.96
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year.....						<b>11,100.60</b>	Net expense for year.....			<b>1,857,320.24</b>
Total item 49 (page 2).....							Total item 87 (page 3).....			864,066.46
Total item 50 (page 2).....						7,045.65	Total item 88 (page 3).....			115,220.44
Total item 51 (page 2).....							Total item 89 (page 3).....			771,141.65
Total item 52.1 (page 2).....						4,054.95	Total item 90.1 (page 3).....			
Total item 52.2 (page 2).....							Total item 90.2 (page 3).....			21,169.85
							Total item 92 (page 3).....			85,721.84
ACCOUNTS PAYABLE										
232	Accounts payable - general (includes \$10,499,455.39 to TVA for purchased power and Fac.Rental).....									11,885,073.29
232	Accrued purchased power.....									
233	Accounts payable - spec. const.....									
234	Payable to municipal - utility revenue.....									
234	Other payables to municipality.....									
<b>Total accounts payable - general (page 2, item 46).....</b>										<b>11,885,073.29</b>
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.....									15,694.42
242	Miscellaneous - accrued insurance.....									
242	Miscellaneous - employees' accrued leave.....									1,231,108.74
242	Miscellaneous - other.....									263,334.42
<b>Total other current and accrued liabilities (page 2, item 53).....</b>										<b>1,510,137.58</b>
OTHER DEFERRED CREDITS (Account 253)										
Payables for plant purchases; (item 149).....										169,838.74
Other items (List): Budget Billing Differences.....										
<b>Total other deferred credits (page 2, item 56).....</b>										<b>169,838.74</b>



**West Kentucky 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. 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						
1/1/2011 12/31/2011	State of Kentucky - Real Estate			1,212,215.00	.1220	1,478.90	739.45
1/1/2011 12/31/2011	State of Kentucky - Tangible			69,784,076.00	.4500	314,028.34	157,014.17
1/1/2011 12/31/2011	State of Kentucky - Manufacturing Machinery			16,432,281.00	.1500	24,648.43	12,324.22
1/1/2011 12/31/2011	Calloway County - Real Estate			60,063.00	.6640	299.87	149.95
1/1/2011 12/31/2011	Calloway County - Tangible			23,349,809.00	.7135	165,522.49	82,761.26
1/1/2011 12/31/2011	Carlisle County - Real Estate			2,136.00	.8600	18.20	9.12
1/1/2011 12/31/2011	Carlisle County - Tangible			3,879,727.00	.8700	33,443.24	16,721.64
1/1/2011 12/31/2011	Graves County - Real Estate			1,131,583.00	.2040	2,348.42	1,174.23
1/1/2011 12/31/2011	Graves County - Tangible			26,459,715.00	.2634	69,694.89	34,847.45
1/1/2011 12/31/2011	Graves County Schools - Real Estate			1,097,915.00	.3700	4,062.29	2,031.15
1/1/2011 12/31/2011	Graves County Schools - Tangible			26,262,500.00	.3700	97,171.25	48,585.63
1/1/2011 12/31/2011	Hickman County - Tangible			531,568.00	.7143	3,796.99	1,898.50
1/1/2011 12/31/2011	Livingston County - Tangible						
1/1/2011 12/31/2011	Marshall County - Real Estate			18,425.00	.7850	144.64	72.33
1/1/2011 12/31/2011	Marshall County - Tangible			14,648,933.00	.8932	130,711.70	65,355.86
1/1/2011 12/31/2011	Marshall County Fire Districts (All) - Tangible			1,562,558.00	.7905	12,352.03	6,176.02
1/1/2011 12/31/2011	City of Arlington - Tangible			87,801.00	.3910	343.30	171.65
1/1/2011 12/31/2011	City of Benton - Tangible			94,992.00	.2100	199.48	99.74
1/1/2011 12/31/2011	City of Calvert City - Tangible			138,099.00	.3250	448.82	224.41
1/1/2011 12/31/2011	City of Hardin - Tangible			225,150.00	.1560	351.23	175.62
1/1/2011 12/31/2011	City of Hazel - Tangible			76,507.00	.5000	382.54	191.27
1/1/2011 12/31/2011	City of Mayfield - Real Estate			26,960.00	.9830	265.02	132.51
1/1/2011 12/31/2011	City of Mayfield - Tangible			233,185.00	.9830	2,292.21	1,146.11
1/1/2011 12/31/2011	City of Murray - Tangible & Real Estate			375,120.00	.3985	1,488.73	744.38
1/1/2011 12/31/2011	City of Murray Schools - Tangible & Real Estate			255,425.00	.5600	1,290.42	645.21
1/1/2011 12/31/2011	City of Wingo - Tangible			182,818.00	.5300	986.93	493.47
7/1/2011 6/30/2012	Underaccrual FY 2011						26,565.50
1/1/2012 12/31/2012	Estimated State						170,068.84
1/1/2012 12/31/2012	Estimated Counties						259,407.65
1/1/2012 12/31/2012	Estimated Cities						4,058.85
1/1/2011 12/31/2011	State of Kentucky - Tangible Vehicle Tax			1,108,614.00	.4500	4,988.80	2,494.40
1/1/2011 12/31/2011	Graves County - Tangible Vehicle Tax			1,108,614.00	.1910	2,117.52	1,058.76
1/1/2011 12/31/2011	Graves County Schools - Tangible Vehicle Tax			1,108,614.00	.4640	5,331.44	2,665.72
1/1/2011 12/31/2011	City of Mayfield - Tangible Vehicle Tax						
1/1/2012 12/31/2012	State of Kentucky - Tangible Vehicle Tax			1,105,282.00	.4500	7,826.39	3,913.19
1/1/2012 12/31/2012	Graves County - Tangible Vehicle Tax			1,105,282.00	.1910	2,111.08	1,055.54
1/1/2012 12/31/2012	Graves County Schools - Tangible Vehicle Tax			1,105,282.00	.4640	5,128.51	2,564.26
1/1/2012 12/31/2012	City of Mayfield - Tangible Vehicle Tax						
7/1/2011 6/30/2012	Total Tax Expense						907,397.22

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.

## West Kentucky 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	
GRAVES				01/01/2012 12/31/2011	408.1			
GRAVES		3,724.48	7,239.59	01/01/2012 12/31/2012	408.1	7,344.28	3,619.79	
MAYFIELD				01/01/2011 12/31/2011	408.1			
MAYFIELD				01/01/2012 12/31/2012	408.1			
KY				01/01/2011 12/31/2011	408.1			
KY		2,494.40	7,826.39	01/01/2012 12/31/2012	408.1	6,407.59	3,913.20	
<b>Total</b>		6,218.88	15,065.98			13,751.87 (Add below)	7,532.99 (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 .....	406,978.66	867,088.67		893,645.35	433,535.34
408.2	U.S. Social Security - unemployment .....	6.40	5,758.88		5,777.51	25.03
408.3	U.S. Social Security - FICA .....		441,575.60		441,575.60	
408.4	State Social Security - unemployment .....	13.60	8,182.18		8,328.36	159.78
408.5	Gross receipts - state .....					
408.6	Income - state .....					
408.7	Other: (list below) .....					
408.7	Gross Receipts License Tax for Schools		2,386,679.62	2,386,679.62		
408.7	Reallocation of Prepaid Vehicle Taxes			(13,751.87)	13,751.87	
<b>Total .....</b>		406,998.66	3,709,284.95	2,372,927.75	1,363,078.69	433,720.15
(885)	Tax expense from the writeoff of prepaid privilege taxes (as above) .....			13,751.87		(page 2, item 48)
(890)	<b>Total tax expense for the year (page 3, item 79) .....</b>			<b>2,386,679.62</b>		

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".

**West Kentucky 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.)
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.  
 RURAL ELECTRIFICATION ACT OF 1936
- (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? Y  
 If so, give name. If not, give the type in-house hardware. Central Service Association, Tupelo, MS, on-line

(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  
 Owner without Electric Heat  
 Tenant with Electric Heat \$175.00  
 Tenant without Electric Heat \$175.00  
 Other (describe) 2 months average bill for businesses.

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?      Yes      N No  
 Credited on customer's power bill annually?      Yes      N No  
 Credited to a deposit account annually?      Yes      N No  
 Handled differently (Explain)  
Applied to final bill or refunded if credit balance.

7) Are prior written notice and due process afforded to customers before termination for nonpayment?  
 Prior written notice?      Y Yes      No  
 Due process?      Y Yes      No

8) Is information about policies and rates available upon request and application for service?  
 Upon request?      Y Yes      No  
 Upon application for service?      Y Yes      No

9) Are the media used to inform customers about policies and rates?  
 Policies?      Y Yes      No  
 If yes, how many times during the past 12 months?      4 Times  
 Rates?      Y Yes      No  
 If yes, how many times during the past 12 months?      4 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      \$5.00

**West Kentucky 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:  
 Alexander Thompson Arnold, LLC, Union City, TN

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
JAMIE POTTS, PRESIDENT	AGRICULTURE	07/01/2014	10,100.00	9,555.87
CHAD WILLETT, VICE PRESIDENT	REAL ESTATE	07/01/2013	9,800.00	4,750.98
CAROLYN WOOD,	RETIRED	07/01/2014	7,300.00	341.13
DENNIS BARNES	FACTORY	07/01/2016	5,000.00	264.18
RALPH EDRINGTON	AGRICULTURE	07/01/2016	2,000.00	1,237.16
TROY ENGLISH	SALES	07/01/2013	3,200.00	3,514.10
BOB HARGROVE	BANKING	07/01/2013	7,300.00	303.03
TED LOVETT	MAINTENANCE	07/01/2016	8,300.00	1,275.00
ROBERT SPALDING	CONSTRUCTION	07/01/2014	2,300.00	1,013.45
		Total . . . . .	55,300.00	22,254.90

\*Show total amounts paid from electric system funds for fiscal year.  
 Method of determining amounts paid to board members is as follows:  
 Board members elected prior to 07/05 receive \$100 per each meeting plus medical insurance. Members elected after 07/05 receive \$400 for each regular board meeting and no medical insurance and \$100 per other meeting days. Term for board members elected after July 2006 will be four years.

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

GENERAL INFORMATION (CONTINUED)	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
General Advertising Expense	94,788.12
Association Dues, Chambers of Commerce	154,859.37
Directors Fees	55,300.00
Directors Travel, Meetings and Mileage	22,254.90
Directors Meeting Registration	7,586.45
Directors Insurance	32,135.02
Annual Meeting	101,776.22
Employee Dinners	9,477.95
Directors' Miscellaneous - meals, publications, travel & accident insurance, uniforms	7,285.37
Property Insurance Allocation	4,597.52
Property Tax Allocation	3,163.04
Directors' Liability Insurance	7,743.96
Service Awards	2,200.00
Miscellaneous	2,274.90
TOTAL	505,442.82

**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 21: Preliminary survey amount is accumulation of cost of fiber optic study and work performed for fiber optic loop for substations, office and warehouse facilities communications systems. This will be transferred to a order in FY 2013.

Pg 1, Item 22: Credit balance in clearing accounts is due to overallocation of transportation expense.

Pg 3, Item 62: Incr in rent from electric property due to receipt of \$294,668.05 from Mediacom for pole attachments associated with CY 2005-2009 unpaid contractual amounts and \$137,295.81 unreported attachments.

Pg 3, Item 92: Incr in other interest expense due to increase in interest on customer deposits applied during July 2011.

Pg 5, Acct 904: Decrease due to less writeoffs this FY.

Pg 5, Acct 908: Incr due to school tax credit given to customers participating in Valley Investment Initiative program. WKRECC passes the VII credit and associated school tax credit to the customer but only receives the VII credit reimbursement from TVA. This is related to the change in accounting method as recommended by TVA this fiscal year.

Pg 6, Acct 923: Decr due to decrease in outside attorney fees associated with service boundary dispute (Bardwell case). Also received \$50,000.00 contribution from the NRUCFC Integrity Fund for defense of the boundary dispute which was credited to this account.

Pg 6, Acct 592: Incr due to maintenance associated with work done at Hickory Grove and Pilot Oak substations.

Pg 6, Acct 593: Decr due to credit in amount of \$2,505,316.66 associated with FEMA reimbursements during FY 2012. Credits are not reflected in payroll for the fiscal year.

Pg 6, Acct 935: Incr due to work at warehouse, garage and pole yard this fiscal year. Replaced and installed new floor and shelving in one of the warehouse buildings; resurfaced and reworked pole yard area.

Pg 6, Item 655: Incr due to continued work on substation upgrades and radio tower installation.

Pg 7, Item 102: Inverse relationship between revenue and kWh sold due to rates and \$226,030.94 adjustment to revenue associated with change in accounting method recommended by TVA for Valley Investment Initiative program.

Pg 7, Credits: Credits for Gen. Power - Over 50 KW do not include Valley Investment Initiative credits.

Pg 7, Losses: Line loss percentage increase due to significantly warmer weather.

Pg 9, Acct 364: Decr due to \$761,774.25 credit associated with FEMA reimbursements received during FY 2012 associated with ice storm and wind damages incurred in FY 2010.

Pg 9, Acct 368: Incr due to incr purchases of line transformers this FY in anticipation of line upgrade work. Also retired more transformers this fiscal year.

Pg 9, Acct 370: Incr due to increase in meter purchases this fiscal year.

Pg 10, Acct 390: Incr due to installation of \$139,000 scissor lift at garage.

Pg 10, Acct 391: Incr due to computer purchases during this fiscal year.

Pg 10, Acct 392: Decrease in additions due to fewer vehicles budgeted and purchased this FY.

Pg 10, Acct 107: Incr due to substation upgrades, radio tower and new office construction which continued this fiscal year.

Pg 11, Acct 353: Will monitor depreciation for overaccrual during FY 2013.

Pg 11, Accts 354 and 355: Reworked a section of transmission line having no salvage value.

Pg 11, Acct 361: Will monitor depreciation during FY 2013.

Pg 11, Acct 365: Incr in retirements due to replacing more old conductor.

Pg 11, Acct 367: Retired old underground line having no salvage value.

Pg 11, Acct 368: Retired and scrapped more old transformers due to new maintenance program. Also sold 3 voltage regulators to Hickman-Fulton RECC.

Pg 11, Acct 370: Retired more old meters.

Pg 11, Accts 390, 397, 398: Retired items having no salvage value.

Pg 11, Acct 393: Will resume depreciation during FY 2013.



**West Kentucky 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 11, Acct 369: Incr in retirements due to adjusting plant records to reflect abandoned services removed during year and those identified as being removed in prior years but not removed from plant records.

Pg 11, Accts 390, 397, 398: Retired items having no salvage value.

Pg 11, Acct 393: Will resume depreciation during FY 2013.

Pg 11, Accts 390, 397, 398: Retired items having no salvage value.

Pg 11, Acct 393: Will resume depreciation during FY 2013.

Pg 11, Acct 397, 398: Discontinued depreciation during FY 2012. Credit depreciation due to adjustment to accrue

Pg 14, Pg 16, Total other income: Incr in pat cap income and total other income due to \$96,370.63 incr in CoBank patronage capital this fiscal year due to more activity with that lender.

Pg 16, Misc Income Deductions: Increase due to \$2500 contribution to Western Regional Center for Emerging Technology, \$2500 sponsorship to Mid Continent University, and increasing sponsorship from 2 students to 3 students attending the Washington Youth Tour.

Pg 16, Acct 143: Accounts over 90 days past due includes \$107,352.00 from MediaCom which was sold to Zito Media. Arrangements for payment have been made with Zito Media who will have the balance completely paid by the end of August 2012. At August 20, 2012, the balance owed by Zito on this amount \$32,724.50.

Pgs 21, 22 and 23: Refinanced RUS Note Numbers B310 and B311 with CoBank at lower int rate.

Pg 24a: CoBank Line of Credit amt is to pay accrued int associated with RUS debt refinance.

Pg 29: Tax exp allocated to functional exp accts.

Pg 30: Residential homeowners are not required to pay a deposit.

**West Kentucky 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
David E. Smart	President, CEO	100.00
Ron N. Mays	V.P. Finance & Administration	100.00
Jack R. Clifford	Financial Officer/Accounting Manager	100.00
Anita Weatherly	Plant Accounting Supervisor	100.00
Julie Pittman	Member Billing Supervisor	100.00
Jamie Sears	Communications Director	100.00
Tim Vied	Manager of Engineering Services	100.00
Jimmy Greer	Construction & Maintenance Supervisor	100.00
Kim Grogan	Director of Safety	100.00
Jerry Wise	Right-of-Way Foreman	100.00
Roger Gough	Technology Coordinator	100.00
Marcia Pritchett	Human Resources Coordinator	100.00
Calvin Larkins	Line Maintenance Supervisor	100.00
<b>(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 89</b>		

**West Kentucky Rural Electric Cooperative Corporation**  
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

RETAINED EARNINGS ADJUSTMENT(S)		
Order	Amount	Description Reason
Total	\$0.00	

2013

West Kentucky Rural Electric Cooperative Corporation

\_\_\_\_\_  
Name of Organization

1218 West Broadway Mayfield, KY 42066-0589

\_\_\_\_\_  
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)

\_\_\_\_\_  
Jack R. Clifford

Accountant in charge of books

\_\_\_\_\_  
David E. Smart

Manager

\_\_\_\_\_  
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.

**West Kentucky 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
<b>UTILITY PLANT</b>				
Electric Plant . . . . .	10	1	154,699,144.71	144,693,701.14
Less Depreciation . . . . .	10	2	38,115,412.78	36,425,190.93
<b>Total</b> . . . . .	10	3	116,583,731.93	108,268,510.21
Unamortized acq. adj. . . . .	13	4		
Other utility plant - net . . . . .	----	5		
<b>Total Plant - net</b> . . . . .	----	6	116,583,731.93	108,268,510.21
<b>OTHER PROPERTY AND INVESTMENTS</b>				
Nonutility property - net . . . . .	15	7	6,956.52	6,956.52
Other investments . . . . .	14	8	2,243,818.96	2,158,135.48
Sinking funds . . . . .	15	9		
Depreciation funds . . . . .	15	10		
Other special funds . . . . .	15	12	61,376.92	56,526.17
<b>Total</b> . . . . .	----	13	2,312,152.40	2,221,618.17
<b>CURRENT AND ACCRUED ASSETS</b>				
General cash and temporary cash investments . . . . .	14	14	5,253,889.59	6,268,368.25
Accounts receivable . . . . .	16	15	6,635,243.42	7,038,048.52
Materials and supplies . . . . .	17	16	1,084,342.34	1,187,424.82
Prepayments . . . . .	17	17	288,244.40	286,640.96
Other current assets . . . . .	17	18	299,975.52	292,266.99
<b>Total</b> . . . . .	----	19	13,561,695.27	15,072,749.54
<b>DEFERRED DEBITS</b>				
Debt expense . . . . .	17	20		
Preliminary survey . . . . .	----	21	29,887.74	40,263.40
Clearing accounts . . . . .	----	22	10,847.24	(550.32)
Energy Service Loans Receivables . . . . .	----	24	243,090.17	227,498.37
Deferred costs on TVA Leases . . . . .	17	25		
Other deferred debits . . . . .	17	26	28,360.05	40,471.46
<b>Total</b> . . . . .	----	27	312,185.20	307,682.91
<b>TOTAL ASSETS AND OTHER DEBITS</b> . . . . .	----	28	132,769,764.80	125,870,560.83
<b>LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER</b>				

**West Kentucky 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
<b>CAPITAL</b>				
Membership certificates.....	----	30	161,040.00	160,950.00
<b>EARNINGS REINVESTED IN SYSTEM ASSETS</b>				
Beginning of year.....	----	33	67,273,146.33	59,734,544.79
Current year.....	3	34	6,430,675.50	7,538,601.54
<b>Total</b> .....	----	35	73,703,821.83	67,273,146.33
<b>LONG-TERM DEBT</b>				
RUS.....	23	36	14,633,984.83	14,904,239.21
CFC.....	23	37	986,297.94	1,218,657.79
CoBank.....	23	38	22,147,398.97	20,203,627.81
Bonds and other long-term debt.....	25	39.1		
TVA.....	25	39.3	3,576,912.95	3,818,520.15
Debt premium and discount.....	----	40		
<b>Total</b> .....	----	41	41,344,594.69	40,145,044.96
<b>OTHER NON-CURRENT LIABILITIES</b>				
Postretirement Benefits.....	25	39.2	945,507.56	919,387.26
Energy Service Loans - Advances.....	----	42	247,437.88	231,901.96
Energy Service Loans - Other.....	----	43		
<b>Total</b> .....	----	44	1,192,945.44	1,151,289.22
<b>CURRENT AND ACCRUED LIABILITIES</b>				
TVA notes payable.....	26	45.1		
Other notes payable.....	26	45.2		
Accounts payable.....	26	46	11,220,615.98	11,885,073.29
Customer deposits.....	26	47	1,703,084.73	1,915,961.79
Taxes and equivalents accrued.....	29	48	463,431.23	433,720.15
Interest accrued - RUS.....	23	49		
Interest accrued - CFC.....	23	50	5,417.50	7,045.65
Interest accrued -CoBank.....	23	51		
Interest accrued -TVA.....	26	52.1	4,319.74	4,054.95
Interest accrued - other.....	26	52.2		
Other current liabilities.....	26	53	1,498,398.61	1,510,137.58
<b>Total</b> .....	----	54	14,895,267.79	15,755,993.41
<b>DEFERRED CREDITS</b>				
Advances for construction - refundable.....	18	55	1,212,421.18	1,214,298.17
Other deferred credits.....	26	56	259,673.87	169,838.74
<b>Total</b> .....	----	57	1,472,095.05	1,384,136.91
<b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>	----	58	<b>132,769,764.80</b>	<b>125,870,560.83</b>

**West Kentucky 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
<b>OPERATING REVENUE</b>				
Electric sales revenue (page 7, item 332) . . . . .	----	59	82,563,072.01	82,384,843.43
Revenue from late payments . . . . .	----	60	713,351.43	688,368.75
Misc. service revenue . . . . .	----	61	311,533.48	321,497.23
Rent from electric property . . . . .	----	62	1,202,487.51	1,450,839.66
Other electric revenue . . . . .	----	63	11,333.71	12,469.80
<b>Total operating revenue.</b> . . . . .	----	64	<b>84,801,778.14</b>	<b>84,858,018.87</b>
<b>PURCHASED POWER</b>				
<b>Total power cost (page 7, item 342).</b> . . . . .	7	65	<b>56,096,619.29</b>	<b>56,120,941.47</b>
<b>OPERATION EXPENSE</b>				
Transmission expense . . . . .	5	66		
Distribution expense . . . . .	5	67	3,213,023.67	3,007,207.91
Customer accounts expense . . . . .	5	68	2,624,003.30	2,637,351.14
Customer service and informational expense . . . . .	5	69	21,130.00	21,815.16
Sales expense . . . . .	5	70	134,976.59	175,256.33
Administrative and general expense . . . . .	6	71	2,112,279.66	2,008,984.09
<b>Operation expense.</b> . . . . .	6	72	<b>8,105,413.22</b>	<b>7,850,614.63</b>
<b>MAINTENANCE EXPENSE</b>				
Transmission expense . . . . .	6	73		1,752.07
Distribution expense . . . . .	6	74	5,617,199.96	4,819,318.18
Administrative and general expense . . . . .	6	75	179,146.68	259,760.49
<b>Maintenance expense.</b> . . . . .	6	76	<b>5,796,346.64</b>	<b>5,080,830.74</b>
<b>OTHER OPERATING EXPENSE</b>				
Depreciation expense . . . . .	12	77	4,510,263.17	4,300,260.41
Amortization of acquisition adjustment . . . . .	13	78		
Taxes and tax equivalents . . . . .	29	79	2,396,319.46	2,386,679.62
<b>Other operating expense.</b> . . . . .	----	80	<b>6,906,582.63</b>	<b>6,686,940.03</b>
<b>TOTAL OPERATING EXPENSE AND PURCHASED POWER.</b> . . . . .	----	81	<b>76,904,961.78</b>	<b>75,739,326.87</b>
<b>INCOME</b>				
Operating income (item 64, less item 81) . . . . .	----	82	7,896,816.36	9,118,692.00
Other income . . . . .	16	83	325,103.54	323,109.03
<b>Total income.</b> . . . . .	----	84	<b>8,221,919.90</b>	<b>9,441,801.03</b>
Miscellaneous income deductions . . . . .	16	85	43,341.31	45,879.25
<b>Net income before debt expense.</b> . . . . .	----	86	<b>8,178,578.59</b>	<b>9,395,921.78</b>
<b>DEBT EXPENSE</b>				
Interest on long-term debt - RUS . . . . .	23	87	681,369.62	864,066.46
Interest on long-term debt - CFC . . . . .	23	88	71,179.21	115,220.44
Interest on long-term debt - CoBank . . . . .	23	89	858,570.02	771,141.65
Interest on long-term debt - other . . . . .	26	90.1		
Interest - TVA . . . . .	26	90.2	21,677.19	21,169.85
Other interest expense . . . . .	----	92	115,107.05	85,721.84
Amortization of debt discount and expense . . . . .	----	93		
Amortization of premium on debt - credit . . . . .	----	94		
<b>Total debt expense.</b> . . . . .	----	95	<b>1,747,903.09</b>	<b>1,857,320.24</b>
<b>NET INCOME</b>				
Net income before extraordinary items (item 86, less item 95) . . . . .	----	96	6,430,675.50	7,538,601.54
Extraordinary items . . . . .	33	97		
<b>Net income.</b> . . . . .	2	98	<b>6,430,675.50</b>	<b>7,538,601.54</b>



**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

<b>STATEMENT OF CASH FLOWS</b>		
Increase (Decrease) in Cash and Cash Equivalents		
	THIS YEAR	LAST YEAR
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Net Income .....	6,430,675.50	7,538,601.54
<b>Adjustments to Reconcile Net Income to Net Cash:</b>		
Depreciation .....	4,817,855.60	4,594,138.75
<b>Amortization of:</b>		
Acquisition Adjustment .....		
Additions to TVA Leases .....		
Debt Premium or Discount .....		
(Gain) or Loss on Sale of Plant .....		
<b>Changes in Current and Deferred Items:</b>		
Accounts Receivable .....	402,805.10	538,023.40
Materials and Supplies .....	103,082.48	123,153.68
Prepayments and Other Current Assets .....	(9,311.97)	23,013.11
Deferred Debits .....	11,089.51	(33,715.83)
Accounts Payable .....	(664,457.31)	249,559.71
Customer Deposits .....	(212,877.06)	67,086.12
Taxes and Interest Accrued .....	28,347.72	22,243.49
Other Current Liabilities .....	(11,738.97)	30,368.54
Deferred Credits .....	87,958.14	(54,406.74)
Other: .....		
<b>Net Cash Provided by (Used in) Operating Activities .....</b>	<b>10,983,428.74</b>	<b>13,098,065.77</b>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Additions to Plant .....	(12,460,315.09)	(9,705,314.08)
Removal Cost .....	(839,292.98)	(753,248.42)
Salvage .....	156,569.11	228,506.55
Net Change in Other Property and Investment .....	(90,534.23)	(116,860.08)
Energy Service Loans Receivable .....	(15,591.80)	13,645.14
Plant Sold (Purchased) - Noninstallment Method .....	9,961.64	
Deferred Costs on TVA Leases (excluding amortization) .....		
Other: .....		
<b>Net Cash Provided by (Used in) Investing Activities .....</b>	<b>(13,239,203.35)</b>	<b>(10,333,270.89)</b>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Additional Long-Term Borrowings .....	3,800,000.00	5,321,746.01
Payment of Principal on Long-Term Debt .....	(2,600,450.27)	(9,190,013.95)
Notes Payable .....		
Memberships .....	90.00	855.00
Energy Service Loans Advances .....	15,535.92	(13,409.59)
Receipt for Plant Sold - Installment Method .....		
Payment for Plant Purchased - Installment Method .....		
Other: Postretirement Benefits .....	26,120.30	(33,722.67)
<b>Net Cash Provided by (Used in) Financing Activities .....</b>	<b>1,241,295.95</b>	<b>(3,914,545.20)</b>
<b>NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS ..</b>	<b>(1,014,478.66)</b>	<b>(1,149,750.32)</b>
CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR .....	6,268,368.25	7,418,118.57
CASH AND TEMPORARY INVESTMENTS END OF YEAR .....	5,253,889.59	6,268,368.25

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.

# West Kentucky 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
	<b>OPERATING EXPENSE</b>				
	<b>1. TRANSMISSION</b>				
560	Supervision and engineering. . . . .				
561	Load dispatching. . . . .				
562	Station expense. . . . .				
563	Overhead line expense. . . . .				
564	Underground line expense. . . . .				
566	Miscellaneous. . . . .				
567	Rents. . . . .				
(600)	<b>Total transmission operating expense (page 3, item 66).</b>				
	<b>2. DISTRIBUTION</b>				
580	Supervision and engineering. . . . .	47,227.74	55,223.17	22,898.59	23,265.75
581	Load dispatching. . . . .				
582	Station expense. . . . .	247,352.51	145,422.82	22,136.39	6,605.14
583	Overhead line expense. . . . .	1,618,826.31	1,546,309.84	336,124.00	179,624.26
584	Underground line expense. . . . .	124,771.08	83,058.40	38,794.52	21,861.59
585	Street lighting and signal system expense. . . . .	8,492.27	7,556.37	3,657.91	3,158.23
586	Meter expense. . . . .	538,927.60	566,540.07	136,006.51	143,713.92
587	Customer installation expense. . . . .	320,133.88	305,004.18	144,191.20	134,539.05
588	Miscellaneous. . . . .	272,766.65	247,092.32	91,975.09	86,706.20
589	Rents. . . . .	34,525.63	51,000.74		
(605)	<b>Total distribution operating expense (page 3, item 67).</b>	<b>3,213,023.67</b>	<b>3,007,207.91</b>	<b>795,784.21</b>	<b>599,474.14</b>
	<b>3. CUSTOMER ACCOUNTS EXPENSE</b>				
901	Supervision. . . . .	186,955.77	187,862.93	117,077.55	113,556.38
902	Meter reading expense. . . . .	418,759.89	417,495.01	3,874.51	3,624.06
903	Customer records and collection expense. . . . .	1,873,303.76	1,915,393.58	822,874.07	821,301.41
904	Uncollectible accounts. . . . .	143,578.54	115,277.02		
905	Miscellaneous. . . . .	1,405.34	1,322.60		
(610)	<b>Total customer accounts expense (page 3, item 68).</b>	<b>2,624,003.30</b>	<b>2,637,351.14</b>	<b>943,826.13</b>	<b>938,481.85</b>
	<b>4. CUSTOMER SERVICES &amp; INFORMATIONAL EXPENSE</b>				
907	Supervision. . . . .				
908	Customer assistance expense. . . . .	6,909.73	6,583.36	637.79	
909	Informational and instructional advertising expense. . . . .	13,815.67	14,850.16	3,205.56	3,421.60
910	Miscellaneous customer service and informational expense. . . . .	404.60	381.64		
(615)	<b>Total customer services and informational expense (page 3, item 69).</b>	<b>21,130.00</b>	<b>21,815.16</b>	<b>3,843.35</b>	<b>3,421.60</b>
	<b>5. SALES EXPENSE</b>				
911	Supervision. . . . .				
912	Demonstrating and selling expense. . . . .	111,703.17	150,501.99	77,169.51	79,893.51
913	Advertising expense. . . . .	22,868.82	24,372.70	4,996.32	5,488.01
916	Miscellaneous. . . . .	404.60	381.64		
(620)	<b>Total sales expense (page 3, item 70).</b>	<b>134,976.59</b>	<b>175,256.33</b>	<b>82,165.83</b>	<b>85,381.52</b>

# West Kentucky 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
<b>6. ADMINISTRATIVE &amp; GENERAL</b>					
920	Administrative and general salaries. ....	1,205,665.08	1,219,114.80	752,370.23	735,756.99
921	Office supplies and expense. ....	333,101.11	260,838.70		
922	Administrative expense transferred - credit*. ....				
923	Outside services employed. ....	71,658.92	22,314.94		
924	Property insurance. ....				
925	Injuries and damages. ....		2,259.36		
926	Employee pensions and benefits. ....				
927	Franchise requirements*. ....				
928	Regulatory commission expense*. ....				
929	Duplicate charges - credit. ....	(7,619.02)	(14,730.53)		
930	Miscellaneous general expense. ....	496,417.57	505,442.82	29,330.60	29,043.57
931	Rents. ....	13,056.00	13,744.00		
(625)	<b>Total administrative and general expense (page 3, item 71). . . .</b>	<b>2,112,279.66</b>	<b>2,008,984.09</b>	<b>781,700.83</b>	<b>764,800.56</b>
(630)	<b>Total operating expense (Page 3 Item 72). . . . .</b>	<b>8,105,413.22</b>	<b>7,850,614.63</b>	<b>2,607,320.35</b>	<b>2,391,559.67</b>
<b>MAINTENANCE EXPENSE</b>					
<b>1. TRANSMISSION</b>					
568	Supervision and engineering. ....				
569	Maintenance of structures. ....				
570	Maintenance of station equipment. ....				
571	Maintenance of overhead lines. ....		1,752.07		726.72
572	Maintenance of underground lines. ....				
573	Miscellaneous. ....				
(635)	<b>Total transmission maintenance expense (page 3, item 73). . . .</b>		<b>1,752.07</b>		<b>726.72</b>
<b>2. DISTRIBUTION</b>					
590	Supervision and engineering. ....	39,526.37	41,929.31	23,010.16	23,216.40
591	Maintenance of structures. ....				
592	Maintenance of station equipment. ....	399,994.02	549,112.02	102,254.69	183,547.07
593	Maintenance of overhead lines. ....	4,438,335.69	3,666,417.16	1,021,348.21	1,022,688.33
594	Maintenance of underground lines. ....	14,769.75	15,910.12	8,073.87	7,420.33
595	Maintenance of line transformers. ....	450,628.38	262,227.99	239,859.89	132,146.01
596	Street lighting and signal systems. ....	9,230.59	7,236.47	6,098.06	3,862.49
597	Maintenance of meters. ....	147,592.24	164,591.17	91,377.20	93,168.41
598	Maintenance of miscellaneous distribution plant. ....	117,122.92	111,893.94	46,645.37	44,369.60
(640)	<b>Total distribution maintenance expense (page 3, item 74). . . . .</b>	<b>5,617,199.96</b>	<b>4,819,318.18</b>	<b>1,538,667.45</b>	<b>1,510,418.64</b>
<b>3. ADMINISTRATIVE &amp; GENERAL</b>					
935	Maintenance of general plant (page 3, items 75). ....	179,146.68	259,760.49	18,708.54	25,732.76
(645)	<b>Total maintenance expense (page 3, item 76). . . . .</b>	<b>5,796,346.64</b>	<b>5,080,830.74</b>	<b>1,557,375.99</b>	<b>1,536,878.12</b>
(650)	<b>Total operating and maintenance expense. . . . .</b>	<b>13,901,759.86</b>	<b>12,931,445.37</b>	<b>4,164,696.34</b>	<b>3,928,437.79</b>
(655)	Total direct and indirect payroll charged to construction and retirements. ....			1,492,755.29	1,805,924.32
(660)	Payroll charged to other accounts. ....			154,114.74	61,788.29
(662)	Fiscal year net change in accrued leave account - (increase) decrease. ....			(116,847.50)	8,779.33
(665)	<b>Total payroll distribution for year. . . . .</b>			<b>5,694,718.87</b>	<b>5,804,929.73</b>

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

**West Kentucky 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	55,002,777.70	54,083,554.50	107	457,272,573	444,264,086
Gen. Power - 50 kW & under. . . . .	101	10,273,162.38	10,103,643.36	108	70,533,314	67,628,940
Gen. Power - Over 50 kW. . . . .	102	15,652,994.96	16,590,433.15	109	160,961,442	167,408,511
Street and athletic. . . . .	103	189,111.69	189,629.44	110	1,987,628	2,008,113
Outdoor lighting. . . . .	104	1,445,025.28	1,417,582.98	111	9,717,005	9,625,597
Subtotal. . . . .	330	82,563,072.01	82,384,843.43			
Unbilled revenue*. . . . .	331					
Total (page 3, item 59). . . . .	332	82,563,072.01	82,384,843.43	335	700,471,962	690,935,247
Kilowatt-hours for own use. . . . .				113	353,255	162,832
Total kilowatt-hours sold and used. . . . .				114	700,825,217	691,098,079
Kilowatt-hours in unbilled revenue (items 331) above* . . . . .	336					

STATE	SALES TAX	TO ABOVE CLASSES OF REVENUE	CREDITS	GREEN POWER REVENUE
KY	1,103,066.93	Residential. . . . .	22,687.69	
		Gen. Power - 50 kW & under. . . . .	175,930.27	
		Gen. Power - Over 50kW. . . . .	216,920.15	
Total	1,103,066.93			

**PURCHASED POWER**

TVA	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Purchased Power. . . . .	115	55,735,808.21	55,745,390.19	119	749,848,118	742,440,421
Facilities Rental. . . . .	116	360,811.08	375,551.28			
Other Charges/Credits. . . . .	117					
Total from TVA. . . . .	118	56,096,619.29	56,120,941.47	122	749,848,118	742,440,421
Other Purchased Power**. . . . .	218			222		
Subtotal. . . . .	340	56,096,619.29	56,120,941.47			
Unbilled Purchases*. . . . .	341					
Total (page 3, item 65). . . . .	342	56,096,619.29	56,120,941.47	345	749,848,118	742,440,421
Less kilowatt hours sold and used (item 114). . . . .				123	700,825,217	691,098,079
Line losses and kilowatt-hours unaccounted for. . . . .				124	49,022,901	51,342,342
Percent of losses to purchases (2 decimal places). . . . .				125	6.54	6.92
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		MISCELLANEOUS DATA	THIS YEAR	LAST YEAR
	THIS YEAR	LAST YEAR			
Residential. . . . . (675)	30,284	30,469	Pole Line Miles: (2 decimal places). (715)	3,195.85	3,179.54
Gen. Power - 50 kW & under. . . . . (680)	7,716	7,514	Individual Outdoor Lts.		
Gen. Power - Over 50 kW. . . . . (685)	331	354	No. in plant. . . . . (720)	14,948	15,627
Street and athletic. . . . . (690)	83	85	Total investment. . . . . (725)	4,656,454.19	4,574,512.24
Outdoor Lighting - Excl. Code 77. . . . . (693)			O&M expense. . . . . (730)	165,877.92	170,998.51
Total. . . . . (695)	38,414	38,422	St. Ltg-Invest. Base. . . . . (735)	367,387.69	345,333.87
Outdoor Lighting - Code 77. . . . . (697)	10,245	10,292	O&M expense. . . . . (740)	17,722.86	14,792.84
			Lamps & Glassware. . . . . (745)	8,492.97	

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

**West Kentucky 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	
Benton		148,050	444.15	
Hardin		77,101	231.30	
Cambridge Shores		23,868	71.60	
Calvert City		161,118	483.35	
Hazel		105,425	316.28	
Calloway County Board of Education		26,109	78.33	
Murray		249,897	749.69	
Graves County Board of Education		37,220	111.66	
Wingo		116,771	350.31	
Milburn		25,164	75.49	
Arlington		34,742	104.23	
Kentucky Dept of Highways		628,800	1,886.40	
Water Valley		31,584	94.75	
Kentucky Dam Village Estates		2,517	7.55	
City of Mayfield		18,971	56.91	
Total All Systems	8,492.27			8,492.27
<b>TOTAL:</b>	8,492.27	1,687,337	5,062.00	8,492.27

# West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

## ELECTRIC PLANT

ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS DEBIT	CREDIT	BALANCE END OF YEAR
	<b>INTANGIBLE</b>						
301	Organization.....						
302	Franchises and consents.....						
303	Miscellaneous.....						
(750)	<b>Total intangible.....</b>						
	<b>PRODUCTION</b>						
755	<b>Total production.....</b>						
	<b>TRANSMISSION</b>						
350	Land and land rights.....						
351	Clearing land and rights of way.....						
352	Structures and improvements.....	25,739.98					25,739.98
353	Station equipment.....	122,890.31					122,890.31
354	Towers and fixtures.....	77,635.04					77,635.04
355	Poles and fixtures.....	288,440.32	13,267.57	5,981.07			295,726.82
356	Overhead conductors and devices.....	144,189.13	6,433.20				150,622.33
357	Underground conduit.....						
358	Underground conductors and devices.....						
359	Roads and trails.....						
(760)	<b>Total transmission.....</b>	<b>658,894.78</b>	<b>19,700.77</b>	<b>5,981.07</b>			<b>672,614.48</b>
	<b>DISTRIBUTION</b>						
360	Land and land rights.....	223,291.79	113,913.00				337,204.79
361	Structures and improvements.....	421,818.22					421,818.22
362	Station equipment.....	10,602,299.04	11,008.77	96,966.30			10,516,341.51
363	Storage battery equipment.....						
364	Poles, towers, and fixtures.....	52,952,727.17	2,362,723.43	774,247.41		11,048.70	54,530,154.49
365	Overhead conductors and devices.....	16,659,007.64	758,783.41	174,741.16		1,881.21	17,241,168.68
366	Underground conduit.....	3,745,246.00	215,801.31	4,290.07			3,956,757.24
367	Underground conductors and devices.....	3,848,639.09	260,279.72	31,914.18			4,077,004.63
368	Line transformers.....	26,627,674.06	1,542,103.66	631,943.81		10,186.83	27,527,647.08
369	Services.....	5,801,081.36	274,919.90	113,977.01			5,962,024.25
370	Meters.....	3,706,726.74	189,932.65	119,362.46			3,777,296.93
371	Inst. on customers' premises.....	4,575,053.81	219,312.91	137,885.72		326.81	4,656,154.19
372	Leased prop. on cust. premises.....	33,239.00					33,239.00
373	St. lighting and signal systems.....	345,333.87	22,454.96	401.14			367,387.69
(765)	<b>Total distribution.....</b>	<b>129,542,137.79</b>	<b>5,971,233.72</b>	<b>2,085,729.26</b>		<b>23,443.55</b>	<b>133,404,198.70</b>

**West Kentucky Rural Electric Cooperative Corporation**

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**ELECTRIC PLANT**

ACCT. NO.		BALANCE			RECLASSIFICATIONS		BALANCE END OF YEAR
		BEG. OF YEAR	ADDITIONS	RETIREMENTS	DEBIT	CREDIT	
	<b>GENERAL</b>						
389	Land and land rights. . . . .	116,104.45					116,104.45
390	Structures and improvements. . . . .	2,345,533.83	6,743.06				2,352,276.89
391	Office furniture and equipment. . . . .	900,330.59	202,640.54	23,370.27			1,079,600.86
392	Transportation equipment. . . . .	3,403,317.41	308,051.54	34,929.89			3,676,439.06
393	Stores equipment. . . . .	32,761.80					32,761.80
394	Tools, shop, and garage equip. . . . .	542,483.01	46,839.73				589,322.74
395	Laboratory equipment. . . . .	194,200.92	23,783.45				217,984.37
396	Power operated equipment. . . . .						
397	Communication equipment. . . . .	426,035.41	531,516.89	29,878.25			927,674.05
398	Miscellaneous equipment. . . . .	80,848.29	19,172.85				100,021.14
399	Other tangible property. . . . .						
(770)	<b>Total general. . . . .</b>	<b>8,041,615.71</b>	<b>1,138,748.06</b>	<b>88,178.41</b>			<b>9,092,185.36</b>
101	<b>Total plant in service. . . . .</b>	<b>138,242,648.28</b>	<b>7,129,682.55</b>	<b>2,179,888.74</b>		<b>23,443.55</b>	<b>143,168,998.54</b>
102	Electric plant purchased or sold. . . . .				23,443.55	23,443.55	
104	Electric plant leased to others. . . . .						
105	Electric plant for future use. . . . .	251,539.23		251,539.23			
107	Construction work in progress. . . . .	6,199,513.63	5,330,632.54				11,530,146.17
(775)	<b>Total other electric plant. . . . .</b>	<b>6,451,052.86</b>	<b>5,330,632.54</b>	<b>251,539.23</b>	<b>23,443.55</b>	<b>23,443.55</b>	<b>11,530,146.17</b>
(780)	<b>Total electric plant (page 1, item 1). . . . .</b>	<b>144,693,701.14</b>	<b>12,460,315.09</b> (Item 140)	<b>2,431,427.97</b>	<b>23,443.55</b>	<b>46,887.10</b>	<b>154,699,144.71</b>
	<b>RESERVES</b>						
108	Accumulated provision for depreciation of electric plant in service. . . . .					38,366,952.01	
109	Accumulated provision for depreciation of electric plant leased to others. . . . .						
110	Accumulated provision for depreciation of electric plant held for future use. . . . .						
	<b>Total accumulated provision for depreciation (page 1, item 2 and page 11). . . . .</b>					<b>38,366,952.01</b>	
	<b>Total electric plant, less accumulated provision for depreciation (page 1, item 3). . . . .</b>						<b>116,332,192.70</b>

**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:**

## West Kentucky 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	3.00	22,216.31	772.20						22,988.51	89
353	3.00	115,382.28	3,686.76						119,069.04	97
354	3.00	16,315.41	2,329.08						18,644.49	24
355	3.00	90,919.37	8,853.62	5,981.07	373.57				93,418.35	32
356	3.00	98,539.68	4,502.63						103,042.31	68
357										
358										
359										
<b>(785) TOTAL</b>		<b>343,373.05</b>	<b>20,144.29</b>	<b>5,981.07</b>	<b>373.57</b>				<b>357,162.70</b>	<b>53</b>
360	4.23	92,818.82	4,647.12						97,465.94	29
361	3.00	410,303.61	298.88						410,602.49	97
362	3.00	4,825,848.08	324,305.72	96,966.30	19,724.23				5,033,463.27	48
363										
364	3.00	4,136,278.49	1,609,354.13	774,247.41	508,521.60	15,905.06	6,073.52		4,472,695.15	8
365	2.75	4,298,299.43	465,605.03	174,741.16	86,562.94	4,274.36	1,088.19		4,505,786.53	26
366	4.00	1,074,089.74	153,316.63	4,290.07	1,791.14	113.47			1,221,438.63	31
367	4.00	1,344,932.03	157,819.75	31,914.18	6,433.57				1,464,404.03	36
368	3.00	10,345,975.34	810,713.31	631,943.81	16,646.41	96,642.10	6,320.20		10,598,420.33	39
369	6.00	2,957,908.56	352,886.25	113,977.01	62,431.81	2,330.72			3,136,716.71	53
370	2.50	564,096.26	95,189.33	119,362.46		110.29			540,033.42	14
371	5.00	804,522.83	230,237.69	137,885.72	136,745.28	17,193.11			777,322.63	17
372	5.00	19,541.64	1,561.44						21,103.08	63
373	4.00	178,189.52	14,060.99	401.14	62.43				191,786.94	52
<b>(790) TOTAL</b>		<b>31,052,804.35</b>	<b>4,219,996.27</b>	<b>2,085,729.26</b>	<b>838,919.41</b>	<b>136,569.11</b>	<b>13,481.91</b>		<b>32,471,239.15</b>	<b>24</b>
389										
390	2.5-5	1,294,436.51	48,149.75						1,342,586.26	57
391	4/10	747,388.55	90,252.18	23,370.27					814,270.46	75
392	Var	1,582,086.02	307,592.43	34,929.89		20,000.00			1,874,748.56	51
393		4,709.44							4,709.44	14
394	8.00	453,944.43	45,416.77						499,361.20	85
395	8.00	194,200.92	5,573.24						199,774.16	92
396										
397	8.00	426,035.41	65,509.27	29,878.25					461,666.43	50
398	8.00	80,848.29	9,046.13						89,894.42	90
399										
<b>(795) TOTAL</b>		<b>4,783,649.57</b>	<b>571,539.77</b>	<b>88,178.41</b>		<b>20,000.00</b>			<b>5,287,010.93</b>	<b>58</b>
<b>(800) OTHER</b>		<b>245,363.96</b>	<b>6,175.27</b>						<b>251,539.23</b>	<b>2</b>
<b>(805) TOTALS</b>		<b>36,425,190.93</b>	<b>4,817,855.60</b>	<b>2,179,888.74</b>	<b>839,292.98</b>	<b>156,569.11</b>	<b>13,481.91</b>		<b>38,366,952.01</b>	<b>27</b>

(Item 142)

(Item 138)

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



**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

<b>ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED</b>		
Depreciation expense (403 and 404) (page 3, item 77) . . . . .	(810)	4,510,263.17
Depreciation charged to transportation expense - clearing. . . . .	(815)	307,592.43
Depreciation charged to building expense - clearing. . . . .	(820)	
Depreciation charged to other accounts (list each account number). . . . .	(825)	
	(830)	
	(835)	
	(840)	
<b>Total accrual (page 11) . . . . .</b>	<b>(Item 128)</b>	<b>4,817,855.60</b>

Explanations (continue on page 33 if necessary)

**West Kentucky 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) .....	
<b>Total</b> .....	
Charged to expense (Account 406) (page 3, item 78) .....	
Other reductions (explain below) .....	
<b>Balance end of year (page 1, item 4)</b> .....	

ELECTRIC PLANT PURCHASED THIS YEAR*			
From whom property acquired (abbreviate) .....			TOTAL
Date acquired .....			
Original cost .....			
Corrections to date .....			
<b>Total original cost</b> .....			
Depreciation reserve at acquisition .....			
Corrections to date .....			
<b>Total depreciation reserve</b> .....			
Base contract purchase price .....			
Net additions .....			
Acquisition expense .....			
Other (explain below) .....			
<b>Total purchase cost</b> .....			
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
				364	11,048.70	6,073.52	4,975.18
				365	1,881.21	1,088.19	793.02
				368	10,186.83	6,320.20	3,866.63
				371	326.81		326.81
<b>Total</b>				<b>Total</b>	23,443.55	13,481.91	9,961.64

**GAIN OR LOSS ON SALE OF ELECTRIC PLANT**

Selling price .....	9,961.64
Less net plant sold (as above) .....	9,961.64
Difference .....	
Less selling expense .....	
Gain or loss on sale .....	

**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

<b>INVESTMENTS IN ASSOCIATED COMPANIES</b> (Report only the investments not considered as current assets)			
<b>OTHER INVESTMENTS - GENERAL FUNDS</b>			
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
Stockholder Loan - CSA	50,257.70	643.53	
Pat. Capital-CFC,WKRTCC, UUS, KAEC, FEDERATED, COBANK	799,025.61	244,515.17	
Capital Term Certificates - NRUCFC	1,392,535.65	64,028.75	
Membership - NRUCFC, COBANK	2,000.00		
Subtotal	2,243,818.96	309,187.45	
	(page 1, item 8)	(account 419, page 16)	
<b>INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS</b>			
(Investments included in Accounts 125, 126, and 128 - page 15)			
Employee Savings Fund	61,376.92		
Subtotal	61,376.92		
	(page 15)	(account 419, page 16)	
<b>CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS</b>			
(Report only investments considered as current assets)			
NRUCFC Commercial Paper	3,943,698.77	3,615.98	
Total Temporary Cash Investments	3,943,698.77	3,615.98	
CASH (Accounts 131 - 135)	1,310,190.82	1,853.07	
Subtotal	5,253,889.59	5,469.05	
	(page 1, item 14)	(account 419, page 16)	
Grand Total	7,559,085.47	314,656.50	

## West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	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 . . . . .				61,376.92	61,376.92
Investments in fund end of year (page 14) . . . . .					
Balance of fund end of year (page 1) . . . . .				61,376.92	61,376.92
Minimum balance required* . . . . .	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)	61,376.92	61,376.92
Authority creating fund**				Other (Explain)	

\* Explain difference if fund balance is less than minimum required.  
 \*\* State whether fund is required by bond contract, board action, etc.  
 Total Sinking

Depreciation

Construction

Other  
 None. This amount represents the balance of employees' Christmas savings account. An offsetting credit is recorded as a liability.

Note: Report all debt service funds as sinking funds.  
 Report all funds for renewals and replacements as depreciation funds.

### NONUTILITY PROPERTY (Account 121)

DESCRIPTION AND LOCATION OF PROPERTY	DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
House and Lot 1220 West Broadway, Mayfield, KY	12/1/1952	22,447.85	
Total . . . . .		22,447.85	
Less accumulated provision for depreciation (account 122) . . . . .		15,491.33	
Total net of depreciation (page 1, item 7) . . . . .		6,956.52	(page 16)

**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

ACCT. NO.	OTHER INCOME	
415	Revenue from merchandising, jobbing, etc.	21,220.44
416	Cost and expense of merchandising, etc.	(10,773.40)
417*	Income from nonutility operations - net of expense.	
418	Nonoperating rental income - net of expense (page 15).	
419	Interest and dividend income (page 14).	314,656.50
419.1	Interest charged to construction.	
421*	Misc. nonoperating income - net of expense.	
(845)	<b>Total other income (page 3, item 83).</b>	<b>325,103.54</b>

\*Explain these items briefly:                                      417                                      421

ACCT. NO.	MISCELLANEOUS INCOME DEDUCTIONS	
425*	Miscellaneous amortization.	
426*	Miscellaneous income deductions.	43,341.31
(850)	<b>Total misc. income deductions (page 3, item 85).</b>	<b>43,341.31</b>

\*Explain these items briefly:                                      425                                      426  
 Donated labor, transportation, and overheads: \$1,612.98; Washington Youth Tour, Senior Scholarships, Donation of electric grills and smokers for charity auctions, cash donations for schools' activities: \$37,728.33; American Cancer Society: \$4,000.00.

**INVESTMENT PROCEDURES**

Are investments in excess of \$100,000 secured?       Yes       No      If yes, how?  
 Excess cash is invested in NRUCFC Commercial Paper which is rated P-1 by Moody's Investor Service, A-1 by Standard & Poor's, and F1 by Fitch Ratings. Cash in banks is secured by FDIC and pledged securities.

ACCT. NO.	RECEIVABLES	
141	Notes receivable (Explain on page 33).	
142	Customer accounts receivable.	6,520,017.39
143	Other accounts receivable.	245,596.81
146	Accounts receivable municipality (Explain on page 33 if over 45 days past due).	
	<b>Total.</b>	<b>6,765,614.20</b>
144	Accumulated provision for uncollectible accounts.	130,370.78
	Accounts receivable net of reserve (page 1, item 15).	6,635,243.42

**AGE OF RECEIVABLES AT JUNE 30**

	ACCOUNT 141	ACCOUNT 142	ACCOUNT 143	ACCOUNT 146
Accounts with credit balances.		419,022.45	1,863.54	
Due after June 30.		6,151,289.53	17,123.25	
From 1 to 30 days past due.		615,835.91	9,580.01	
From 31 to 60 days past due.		41,543.62	12,073.48	
From 61 to 90 days past due.		78,799.21	120,757.51	
Over 90 days past due.		51,571.57	87,926.10	
<b>Totals (as above).</b>		<b>6,520,017.39</b>	<b>245,596.81</b>	

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

ACCT. NO.	MATERIALS AND SUPPLIES		
154	Plant materials and operating supplies .....		1,026,130.66
155	Merchandise .....		3,613.49
156	Other materials and supplies .....		
163	Stores expense undistributed .....		54,598.19
(855)	<b>Total materials and supplies (page 1, item 16) .....</b>		<b>1,084,342.34</b>
Give dates of physical inventories this year: <u>06/28/2013</u>			
Total of adjustments: \$ _____ over, or \$ <u>53,551.00</u> short			
PREPAYMENTS - Account No. 165			
	Prepaid insurance .....		202,086.32
	Prepaid employee pension plan .....		
	Prepaid taxes (page 29) .....		6,001.23
	Prepaid rents .....		
	Other prepayments .....		80,156.85
	<b>Total prepayments (page 1, item 17) .....</b>		<b>288,244.40</b>
ACCT. NO.	OTHER CURRENT ASSETS		
171	Interest and dividends receivable .....		16,188.38
172	Rents receivable .....		283,787.14
173	Accrued utility revenue .....		
174	Miscellaneous current and accrued assets .....		
	<b>Total other current assets (page 1, item 18) .....</b>		<b>299,975.52</b>
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		
	<b>Total as above</b>		
186	Miscellaneous deferred debits (page 1, item 26)		28,360.05
List of Items:			
	Receivables from plant sales (item 148)		
	Other items (list):		
	Advances for Construction Receivable	97.31	
	Deferred Software Costs	28,262.74	
	<b>Total as above</b>		<b>28,360.05</b>



**West Kentucky 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		CoBank Line of Credit		NCSC - TVA SUPPLEMENTAL LOAN		NRUCFC Line of Credit
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2013			120,803.60			
2014			241,607.20			
2015			241,607.20			
2016			241,607.20			
2017			241,607.20			
2018			241,607.20			
2019			241,607.20			
2020			241,607.20			
2021			241,607.20			
2022			241,607.20			
2023			241,607.20			
2024			241,607.20			
2025			241,607.20			
2026			241,607.20			
2027			115,004.65			
2028			72,803.80			
2029			72,803.80			
2030			54,603.50			
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		3,576,912.95			

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.



**West Kentucky 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	0/0				
NAME OF ISSUE 200	POST RETIREMENT BENEFITS				
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2013					120,803.60
2014					241,607.20
2015					241,607.20
2016					241,607.20
2017					241,607.20
2018					241,607.20
2019					241,607.20
2020					241,607.20
2021					241,607.20
2022					241,607.20
2023					241,607.20
2024					241,607.20
2025					241,607.20
2026					241,607.20
2027					115,004.65
2028					72,803.80
2029					72,803.80
2030					54,603.50
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					3,576,912.95

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.

# West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

SUMMARY OF LONG-TERM DEBT - RUS										
NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YR)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLDTMENT (ACCOUNT 224.2)	AMOUNT REPAID THIS YEAR			OUTSTANDING END OF YEAR EXCLUDING CUSHION OF CREDIT
							PRINCIPAL	INTEREST	DEFERRED INTEREST	
01-B320	2/17/2006	4.57	35	06/2007	3,000,000.00		50,771.83	125,628.17		2,724,886.33
02-B321	11/16/2006	4.68	35	06/2007	2,000,000.00		33,382.46	85,897.54		1,819,609.16
03-B322	3/14/2007	4.70	35	06/2007	2,800,000.00		46,497.13	120,830.87		2,548,868.29
04-B323	11/1/2007	4.68	35	11/2007	3,200,000.00		53,385.21	138,230.79		2,928,392.85
05-B324	5/13/2008	4.58	35	06/2007	2,500,000.00		42,404.24	107,595.76		2,303,795.62
06-B325	9/24/2008	4.42	35	10/2008	2,500,000.00		43,813.51	103,186.49		2,308,432.58
07-				/						
08-				/						
09-				/						
10-				/						
11-				/						
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37-				/						
38-				/						
39-				/						
40-				/						
<b>(860) Total . . . . .</b>					<b>16,000,000.00</b>		<b>270,254.38</b>	<b>681,369.62</b>		<b>14,633,984.83</b>
List Note Numbers Paid Monthly:    B320        B321        B322        B323        B324        B325										

\*EXCLUDING CUSHION OF CREDIT.

## West Kentucky 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 REPAYD THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-9009	7/8/1979	6.40	CFC	35	758,000.00		14,861.56	233.15		B250/52	20.00
02-9013	8/13/1980	6.50	CFC	35	2,120,000.00		140,634.76	25,410.59	309,992.58	B260/62	30.00
03-9016	5/14/1982	6.60	CFC	35	695,000.00		37,272.16	16,268.96	227,772.53	B270/72	30.00
04-9017	10/26/1986	6.65	CFC	35	936,000.00		39,591.37	30,894.66	448,532.83	B281/83	30.00
05-RX0742T02	10/1/2009	3.21	COBANK	3	3,800,000.00		330,809.80	2,584.49			
06-RI0742T03	11/5/2010	4.31	COBANK	18	15,713,949.26		636,982.92	629,633.56	14,026,109.29		
07-RI0742T04	2/15/2012	3.64	COBANK	15	5,321,746.01		275,872.23	188,194.01	4,933,853.57		
08-RI0742T05	11/26/2012	1.96	COBANK	3	3,800,000.00		612,563.89	38,157.96	3,187,436.11		
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-											
<b>(865) Total</b>					<b>33,144,695.27</b>		<b>2,088,588.69</b>	<b>931,377.38</b>	<b>23,133,696.91</b>		

**West Kentucky 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 .....	14,633,984.83
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 .....	
	Net balance due RUS as above (page 2, item 36) .....	14,633,984.83
	Total additions to RUS long-term debt this year .....	(Item 132) <input type="text" value=""/>
	Repayments for the year excluding advance payments .....	(Item 143) <input type="text" value="270,254.38"/>
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) .....	681,369.62
	Repayments this year .....	681,369.62
	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 .....	986,297.94
223.61	Patronage capital certificates - debit .....	
223.62	Deferred patronage dividends - credit .....	
	Net CFC account (account 223) ( page 2, item 37) .....	986,297.94
	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="232,359.85"/>
INTEREST ACCRUED - CFC (Account 237.2)		
	Balance beginning of year (matured \$.00) .....	7,045.65
	Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary) .....	71,179.21
	Repayments this year .....	72,807.36
	Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary) .....	5,417.50
LONG-TERM DEBT - COBANK		
ACCT.	PRINCIPAL DATA	AMOUNT
229.10	Long Term Debt - CoBank - credit .....	22,147,398.97
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) .....	22,147,398.97
	Amount received on allotment this year .....	(Item 136) <input type="text" value="3,800,000.00"/>
	Repayments this year .....	(Item 145) <input type="text" value="1,856,228.84"/>
INTEREST ACCRUED - COBANK (Account 237.6)		
	Balance beginning of year (matured \$.00) .....	
	Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary) .....	858,570.02
	Repayments this year .....	858,570.02
	Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary) .....	

**West Kentucky 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: POST RETIREMENT BENEFITS  
 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. . . . .	919,387.26	Accrued beginning of year. . . . .	
Issued during year. . . . .	285,811.92	Accrued during year (427.3). . . . .	
Total. . . . .	1,205,199.18	Total. . . . .	
Bonds retired this year. . . . .	259,691.62	Payments during year. . . . .	
Balance end of year. . . . .	945,507.56	Balance end of Year. . . . .	
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .	945,507.56	Balance less matured (237.3). . . . .	

Name of issue: NCSC - TVA SUPPLEMENTAL LOAN  
 Date of issue: 06/30/1995 Amount of original issue: \$ 7,539,000.00  
 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: 2\15 Quarterly Principal due dates: 2\15 Quarterly Denominations: \$ \_\_\_\_\_  
 Agent for paying principal and interest: \_\_\_\_\_  
 Revenue or general obligation bonds: TVA - 228 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ \_\_\_\_\_  
 Purpose of issue: \$2,500,000 direct financing loan. Remainder supplemental to RUS loans.

Conditions under which bonds may be called:  
Due in full within one year of submitting notice of cancellation of power contract with TVA.

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

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year. . . . .	3,818,520.15	Accrued beginning of year. . . . .	4,054.95
Issued during year. . . . .		Accrued during year (427.3). . . . .	21,677.19
Total. . . . .	3,818,520.15	Total. . . . .	25,732.14
Bonds retired this year. . . . .	241,607.20	Payments during year. . . . .	21,412.40
Balance end of year. . . . .	3,576,912.95	Balance end of Year. . . . .	4,319.74
Including matured of (239). . . . .		Including matured of (240). . . . .	
Balance less matured (221). . . . .	3,576,912.95	Balance less matured (237.3). . . . .	4,319.74

**West Kentucky 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: NRUCFC Line of Credit  
 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: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ 5,000,000.00  
 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. ....	6,190,719.46	Accrued during year (427.3). ....	2,022.64
Total. ....	6,190,719.46	Total. ....	2,022.64
Bonds retired this year. ....	6,190,719.46	Payments during year. ....	2,022.64
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). ....	

Name of issue: CoBank Line of Credit  
 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: Other Notes Payable - 231 Issued or assumed: \_\_\_\_\_  
 If assumed from municipality give date and amount assumed: \_\_\_\_\_ \$ \_\_\_\_\_  
 Amount authorized if different from amount issued: \$ 10,000,000.00  
 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). ....	

**West Kentucky 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: \_\_\_\_\_  
 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. ....				919,387.26	3,818,520.15
Issued during year. .... (Item 137)				285,811.92	
Total. ....				1,205,199.18	3,818,520.15
Bonds retired this year. .... (Item 146)				259,691.62	241,607.20
Balance end of year. ....				945,507.56	3,576,912.95
Including matured of (239). .... (Item 147)					
Balance less matured (221). ....				945,507.56	3,576,912.95

(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. ....	4,054.95
Accrued during year (427.3) (page 26). ....	21,677.19
Total. ....	25,732.14
Payments during year. ....	21,412.40
Balance end of year. ....	4,319.74
Including matured of (240). ....	
Balance less matured (237.3) (page 26). ....	4,319.74

\*Less TVA Long-term Debt and Postretirement Benefits

**West Kentucky 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). ....				
<b>Total. ....</b>						<b>Total. ....</b>				
Notes retired this year. ....						Payments during year. ....				
<b>Balance end of year. ....</b>						<b>Balance end of year (as below). ....</b>				
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. ....										10,851.22
Balance customer deposits end of year (Account 235). ....										1,692,233.51
<b>Total customer deposits (page 2, item 47). ....</b>										<b>1,703,084.73</b>
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	5,417.50	427.2	3	88	71,179.21
224	RUS	23	237.1	2	49		427.1	3	87	681,369.62
229	CoBank	23	237.6	2	51		427.4	3	89	858,570.02
228	TVA long term	25	237.3	2	52.1	4,319.74	427.3	3	90.2	21,677.19
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	
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	2,022.64
235	Customer Deposits	Above	235	Above	---		431	3	92	113,084.41
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year. ....						<b>9,737.24</b>	Net expense for year. ....			<b>1,747,903.09</b>
Total item 49 (page 2) .....							Total item 87 (page 3) .....			681,369.62
Total item 50 (page 2) .....						5,417.50	Total item 88 (page 3) .....			71,179.21
Total item 51 (page 2) .....							Total item 89 (page 3) .....			858,570.02
Total item 52.1 (page 2) .....						4,319.74	Total item 90.1 (page 3) .....			
Total item 52.2 (page 2) .....							Total item 90.2 (page 3) .....			21,677.19
							Total item 92 (page 3) .....			115,107.05
ACCOUNTS PAYABLE										
232	Accounts payable - general (includes \$9,264,798.08 to TVA for purchased power and Fac.Rental). ....									11,220,615.98
232	Accrued purchased power. ....									
233	Accounts payable - spec. const. ....									
234	Payable to municipal - utility revenue. ....									
234	Other payables to municipality. ....									
<b>Total accounts payable - general (page 2, item 46). ....</b>										<b>11,220,615.98</b>
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. ....									16,573.23
242	Miscellaneous - accrued insurance. ....									
242	Miscellaneous - employees' accrued leave. ....									1,240,346.28
242	Miscellaneous - other. ....									241,479.10
<b>Total other current and accrued liabilities (page 2, item 53). ....</b>										<b>1,498,398.61</b>
OTHER DEFERRED CREDITS (Account 253)										
Payables for plant purchases; (item 149) .....										259,673.87
Other items (List): Budget Billing Differences. ....										
<b>Total other deferred credits (page 2, item 56) .....</b>										<b>259,673.87</b>
<b>Total other deferred credits (page 2, item 56) .....</b>										<b>259,673.87</b>





**West Kentucky Rural Electric Cooperative Corporation**  
**REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

<b>BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT</b>							
<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 - Real Estate			1,198,993.00	.1220	1,462.77	731.38
1/1/2012 12/31/2012	State of Kentucky - Tangible			74,140,076.00	.4500	333,630.34	166,815.17
1/1/2012 12/31/2012	State of Kentucky - Manufacturing Machinery			18,389,010.00	.1500	27,583.52	13,791.76
1/1/2012 12/31/2012	Calloway County - Real Estate			45,406.00	.6750	329.51	164.78
1/1/2012 12/31/2012	Calloway County - Tangible			25,138,732.00	.7157	178,807.42	89,403.71
1/1/2012 12/31/2012	Carlisle County - Real Estate			2,136.00	.8930	19.12	9.56
1/1/2012 12/31/2012	Carlisle County - Tangible			4,201,146.00	.9040	37,978.37	18,989.20
1/1/2012 12/31/2012	Graves County - Real Estate			1,133,017.00	.2040	2,350.56	1,175.29
1/1/2012 12/31/2012	Graves County - Tangible			27,336,602.00	.2634	72,004.61	36,002.32
1/1/2012 12/31/2012	Graves County Schools - Real Estate			1,078,587.00	.3750	4,044.70	2,022.35
1/1/2012 12/31/2012	Graves County Schools - Tangible			27,124,096.00	.3750	101,715.36	50,857.68
1/1/2012 12/31/2012	Hickman County - Tangible			573,321.00	.7270	4,168.05	2,084.04
1/1/2012 12/31/2012	Livingston County - Tangible						
1/1/2012 12/31/2012	Marshall County - Real Estate			18,434.00	.8760	161.48	80.75
1/1/2012 12/31/2012	Marshall County - Tangible			16,890,275.00	.8342	140,754.82	70,377.43
1/1/2012 12/31/2012	Marshall County Fire Districts (All) - Tangible			1,679,933.00	.7905	13,279.86	6,639.96
1/1/2012 12/31/2012	City of Arlington - Tangible			101,179.00	.4150	419.89	209.95
1/1/2012 12/31/2012	City of Benton - Tangible			106,340.00	.2010	209.47	104.74
1/1/2012 12/31/2012	City of Calvert City - Tangible			159,848.00	.2800	447.57	223.79
1/1/2012 12/31/2012	City of Hardin - Tangible			260,611.00	.2589	674.72	337.36
1/1/2012 12/31/2012	City of Hazel - Tangible			89,361.00	.4700	419.99	210.00
1/1/2012 12/31/2012	City of Mayfield - Real Estate			54,430.00	.9730	529.61	264.81
1/1/2012 12/31/2012	City of Mayfield - Tangible			212,506.00	.9730	2,067.68	1,033.85
1/1/2012 12/31/2012	City of Murray - Tangible & Real Estate			364,047.00	.4110	1,496.24	748.13
1/1/2012 12/31/2012	City of Murray Schools - Tangible & Real Estate			224,242.00	.5620	1,260.24	630.13
1/1/2012 12/31/2012	City of Wingo - Tangible			197,473.00	.5300	1,046.61	523.31
7/1/2012 6/30/2013	Underaccrual FY 2012						29,895.68
1/1/2013 12/31/2013	Estimated State						181,338.32
1/1/2013 12/31/2013	Estimated Counties						277,806.90
1/1/2013 12/31/2013	Estimated Cities						4,286.01
1/1/2012 12/31/2012	State of Kentucky - Tangible Vehicle Tax			1,105,282.00	.4500	7,826.39	3,913.20
1/1/2012 12/31/2012	Graves County - Tangible Vehicle Tax			1,105,282.00	.1910	2,111.08	1,055.58
1/1/2012 12/31/2012	Graves County Schools - Tangible Vehicle Tax			1,105,282.00	.4640	5,315.98	2,564.21
1/1/2012 12/31/2012	City of Mayfield - Tangible Vehicle Tax						
1/1/2013 12/31/2013	State of Kentucky - Tangible Vehicle Tax			1,086,185.00	.4500	4,887.86	2,443.92
1/1/2013 12/31/2013	Graves County - Tangible Vehicle Tax			1,086,185.00	.1910	2,074.69	1,037.35
1/1/2013 12/31/2013	Graves County Schools - Tangible Vehicle Tax			1,086,185.00	.4640	5,039.91	2,519.96
1/1/2013 12/31/2013	City of Mayfield - Tangible Vehicle Tax						
7/1/2012 6/30/2013	Total Tax Expense						970,292.58

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.

## West Kentucky Rural Electric Cooperative Corporation

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

### 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
GRAVES			7,114.60	01/01/2013	12/31/2013	408.1	3,557.31	3,557.29
GRAVES		3,619.79		01/01/2012	12/31/2012	408.1	3,619.79	
MAYFIELD				01/01/2012	12/31/2012	408.1		
MAYFIELD				01/01/2013	12/31/2013	408.1		
KY			4,887.86	01/01/2013	12/31/2013	408.1	2,443.92	2,443.94
KY		3,913.20		01/01/2012	12/31/2012	408.1	3,913.20	
<b>Total</b>		7,532.99	12,002.46				13,534.22 (Add below)	6,001.23 (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 .....	433,535.34	926,862.47		956,758.36	463,431.23
408.2	U.S. Social Security - unemployment .....	25.03	7,846.93		7,821.90	
408.3	U.S. Social Security - FICA .....		447,041.84		447,041.84	
408.4	State Social Security - unemployment .....	159.78	8,698.44		8,538.66	
408.5	Gross receipts - state .....					
408.6	Income - state .....					
408.7	Other: (list below) .....					
408.7	Gross Receipts License Tax for Schools		2,396,319.46	2,396,319.46		
408.7	Reallocation of Prepaid Vehicle Taxes			(13,534.22)	13,534.22	
<b>Total .....</b>		433,720.15	3,786,769.14	2,382,785.24	1,433,694.98	463,431.23
(885)	Tax expense from the writeoff of prepaid privilege taxes (as above) .....			13,534.22		(page 2, item 48)
(890)	<b>Total tax expense for the year (page 3, item 79) .....</b>			<b>2,396,319.46</b>		

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".

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**GENERAL INFORMATION**

1. Give the form of management of municipal system. (Power board, Mayor and council, etc.)
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.  
 RURAL ELECTRIFICATION ACT OF 1936
- (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? Y  
 If so, give name. If not, give the type in-house hardware. Central Service Association, Tupelo, MS, on-line

(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  
 Owner without Electric Heat  
 Tenant with Electric Heat \$175.00  
 Tenant without Electric Heat \$175.00  
 Other (describe) 2 months average bill for businesses.

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	2.00 %
C & I Part A	Y	2.00 %
C & I Part B	Y	2.00 %

6) Is interest on deposits:  
 Refunded by check annually?      Yes N No  
 Credited on customer's power bill annually?      Yes N No  
 Credited to a deposit account annually?      Yes N No  
 Handled differently (Explain)  
Applied to final bill or refunded if credit balance.

7) Are prior written notice and due process afforded to customers before termination for nonpayment?  
 Prior written notice? Y Yes      No  
 Due process? Y Yes      No

8) Is information about policies and rates available upon request and application for service?  
 Upon request? Y Yes      No  
 Upon application for service? Y Yes      No

9) Are the media used to inform customers about policies and rates?  
 Policies? Y Yes      No  
 If yes, how many times during the past 12 months? 4 Times  
 Rates? Y Yes      No  
 If yes, how many times during the past 12 months? 4 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 \$5.00

**GENERAL INFORMATION (CONTINUED)**

5. Give the name of the audit firm conducting this year's audit:  
 Alexander Thompson Arnold, LLC, Union City, TN

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
CHAD WILLETT, PRESIDENT REAL ESTATE	07/01/2013	9,400.00	3,763.86
TROY ENGLISH, VICE-PRESIDENT SALES	07/01/2013	4,100.00	5,599.29
CAROLYN WOOD, RETIRED	07/01/2014	7,400.00	250.08
DENNIS BARNES FACTORY	07/01/2016	8,500.00	2,365.75
KEVIN CRIDER AGRICULTURE	07/01/2016	2,400.00	90.40
JAMIE POTTS AGRICULTURE	07/01/2014	9,800.00	6,935.99
BOB HARGROVE BANKING	07/01/2013	8,200.00	2,188.93
TED LOVETT MAINTENANCE	07/01/2016	8,400.00	1,680.57
ROBERT SPALDING CONSTRUCTION	07/01/2014	2,200.00	1,024.48
RALPH EDRINGTON, RETIRED AGRICULTURE	01/10/2013	800.00	177.00
Total . . . . .		61,200.00	24,076.35

\*Show total amounts paid from electric system funds for fiscal year.  
 Method of determining amounts paid to board members is as follows:  
 Board members elected prior to 07/05 receive \$100 per each meeting plus medical insurance. Members elected after 07/05 receive \$400 for each regular board meeting and no medical insurance and \$100 per other meeting days. Term for board members elected after July 2006 will be four years.

**West Kentucky Rural Electric Cooperative Corporation**  
 REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

<b>GENERAL INFORMATION (CONTINUED)</b>	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
General Advertising Expense	94,767.54
Association Dues, Chambers of Commerce	152,082.60
Directors Fees	61,200.00
Directors Travel, Meetings and Mileage	24,076.35
Directors Meeting Registration	12,928.00
Directors Insurance	24,802.70
Annual Meeting	82,727.12
Employee Dinners	7,756.87
Directors' Miscellaneous - meals, publications, travel & accident insurance, uniforms	8,342.95
Property Insurance Allocation	4,873.85
Property Tax Allocation	3,386.44
Directors' Liability Insurance	8,554.00
Miscellaneous	6,969.15
Service Awards	3,950.00
TOTAL	496,417.57

**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.

West KY RECC maintains open lines of credit with NRUCFC in the amount of \$5,000,000.00 and CoBank in the amount of \$10,000,000.00.

There are no outstanding loans to other lines of business.

West KY RECC did not participate in any annexations during FY 2013.

Page 1, Item 21, Preliminary Survey: During FY's 2012 and 2013, the cooperative was billed \$10,375.66 and 10,868.40, respectively, by the National Rural Telecommunications Cooperative Corp. which should have been billed to the local telephone cooperative. These amounts were originally charged to this account as preliminary costs for WKRECC's fiber optic project. WKRECC requested and received full reimbursement from NRTCC during FY 2012 which was credited to this account resulting in an overall decrease. The remaining balance of this account, representing the cost of a fiber optic feasibility study, will be reclassified in Account 107 - CWIP during FY 2014.

Page 1, Item 22, Clearing Accounts: Balance represents transportation costs not cleared at June 30, 2013. Additional costs are charged to this account subsequent to the transportation costs being cleared each month which results in this account not being completely cleared to zero each period.

Page 2, Item 50, Interest Accrued on Long-Term Debt - CFC: Decrease is due to lower interest payments due to decrease in long-term debt balance. WKRECC paid a balloon payment of \$577,378.99 in May, 2012 which significantly reduced the total debt owed to NRUCFC.

Page 2, Item 56, Other Deferred Credits: Increase due to increase in budget billing differences at June 30, 2013.

Page 3, Item 70, Sales Expense: See explanations for page 5 expense items.

Page 3, Item 73, Transmission Expense: See explanations for page 6 expense items.

Page 3, Item 75, Admin & General Expense: See explanations for page 6 expense items.

Page 3, Item 87, Interest on Long-Term Debt - RUS: Decrease is due to refinancing RUS debt in the amount of \$5,209,725.80 with CoBank during February 2012. CoBank interest is accrued and paid monthly.

Page 3, Item 92, Other Interest Expense: Increase due to increase in interest on customer deposits and NRUCFC line of credit.

Page 4, Cash Provided By (Used In) Financing Activities: Represents net change in post-retirement benefit obligation at June 30, 2013.

Page 5, Acct 582: Increase due to \$86,867 payment to outside contractor for testing substation transformers and additional labor and overheads for WKRECC personnel for substation testing and operations.

Page 5, Acct 584: Increase due to increase in WKRECC payroll, transportation and overheads charges to this account for underground line inspections and locations.

Page 5, Acct 589: Decrease due to cancellation of radio tower rental contract with third party provider due to WKRECC's construction of company-owned communications tower.

Page 5, Acct 904: Increase due to increase in write-offs during FY 2013.

**West Kentucky 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.

Page 6, Acct 571: There were no expenses associated with transmission line maintenance during FY 2013.

Page 6, Acct 592: Decrease due to FY 2012 increased maintenance at Hickory Grove and Pilot Oak substations. Did not have that expense this FY.

Page 6, Acct 593: Last FY lower due to FEMA reimbursement credit for FY 2009 ice storm. FEMA payments were completed in FY 2012.

Page 6, Acct 595: Increase due to increase in transformer maintenance by newly formed maintenance crews who spent more time on transformer maintenance and arrestor changeouts.

Page 6, Acct 596: Increase due to more time spent on street lighting maintenance this FY.

Page 6, Acct 935: Decrease due to last FY having increased maintenance at warehouse and garage facilities. Replaced floors and shelving and resurfaced and reworked pole yard.

Pages 5 and 6, Accts 909, 913, and 930.1: Total advertising expenses for FY 2013 were \$118,312.

Page 7: The total amount of gross receipts tax added to sales revenue was \$2,396,319 for FY 2013.

Page 7: kWh for own use increase is due to recording kWh for new office building currently under construction.

Page 7: Decrease in number of outdoor lights due to project to identify and retire outdoor lights at locations with service.

Page 7: Increase in investment in outdoor lights due to higher costs of new lights.

Page 9, Acct 360: Additions are for land purchased for new substation sites. There were no retirements during FY 2013.

Page 10, Acct 391: Large increase in Acct 391 due primarily to purchases of new computer equipment for office replacements and use in field. Also, purchased new server equipment for use in new office building.

Page 10, Acct 397: Increase due to closing work order for new communications tower.

Pages 9 & 10: Reclassification amounts are for original cost of plant sold to Jackson Purchase Energy Cooperative during FY 2013.

Pages 9 & 10: Accts 356, 390, 394, 395: Added new plant with no associated retirements.

Page 10, Acct 107: Increase in CWIP due to ongoing construction of new office facilities, new substations, and fiber optic project.

Page 11, Accts 355, 362, 367, 373: Retired items having no salvage value.

Page 11, Other Entries: Amounts are to remove accumulated depreciation of plant sold to Jackson Purchase Energy Cooperative during FY 2013 and to clear Acct 102 - Electric Plant Purchased and Sold.

Page 11, Accts 353 and 361: Will discontinue depreciation during FY 2014.



**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 26, Acct 242, Miscellaneous Other includes: Accrued payroll, \$40,919.08; Inactive memberships and depo \$65,976.97; Pole rents payable, \$4,460.63; Customer assistance program (ENUF), \$349.50; Employee savings account, \$61,376.92; AFLAC, \$189.63; NRECA supplemental life insurance, \$5.37; Deferred payable to EDC's, \$67,326.00; Employees' contributions to ACRE, \$550.00; Outstanding gift certificates, \$325.00.

Page 30: West KY RECC does not require deposits from homeowners but does require deposits from tenants.

West KY RECC follows functional accounting procedures of allocating property tax expense to individual expense accounts based on the plant investment in Accounts 360 - 373. Will begin allocating a portion of tax expense to transmission expense during FY 2014.

During FY 2013, West KY RECC made economic development contributions of \$15,000.00 each to Calloway Co EDC, Graves Growth Alliance, and Marshall County EDC. The total of \$45,000.00 reduced the EDC liability in Account 242 which was established for EDC activities with funds received upon dissolution of SKIDA.

**West Kentucky 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
David E. Smart	President, CEO	100.00
Ron N. Mays	V.P. Finance & Administration	100.00
Jack R. Clifford	Financial Officer/Accounting Manager	100.00
Anita Weatherly	Plant Accounting Supervisor	100.00
Julie Pittman	Member Billing Supervisor	100.00
Jamie Sears	Communications Director	100.00
Tim Vied	Manager of Engineering Services	100.00
Jimmy Greer	Construction & Maintenance Supervisor	100.00
Kim Grogan	Director of Safety	100.00
Jerry Wise	Right-of-Way Foreman	100.00
Roger Gough	Technology Coordinator	100.00
Marcia Pritchett	Human Resources Coordinator	100.00
Calvin Larkins	Line Maintenance Supervisor	100.00
<b>(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME EMPLOYEES: 90</b>		

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

RETAINED EARNINGS ADJUSTMENT(S)		
Order	Amount	Description Reason
Total	\$0.00	