



2016 Financial Report

WK&T, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2015

ASSETS

Current Assets

Cash	\$15,738,471
Accounts Receivable	1,069,830
Prepayments	1,567,275
Other Current Assets	1,186,839
Total Current Assets	19,562,415

Non-Current Assets.....	52,272,613
--------------------------------	-------------------

Plant, Property, and Equipment

Telecommunications Plant in Service	146,458,622
Plant Under Construction.....	1,126,827
Total Plant, Property, and Equipment	147,585,449
Less: Accumulated Depreciation	68,860,186
Net Plant	78,725,263

TOTAL ASSETS.....	\$150,560,291
--------------------------	----------------------

LIABILITIES

Current Liabilities

Accounts Payable	\$533,489
Advance Billings and Payments	543,838
Current Maturities on Long-Term Debt	6,555,695
Accrued Taxes and Other Current Liabilities.....	4,874,797
Total Current Liabilities	12,507,819

Long-Term Debt	68,072,365
-----------------------------	-------------------

Deferred Taxes and Other Liabilities	4,457,133
---	------------------

TOTAL LIABILITIES	\$85,037,317
--------------------------------	---------------------

EQUITY

Members' Equity	\$65,522,974
------------------------------	---------------------

Total Liabilities and Equity	\$150,560,291
---	----------------------

NOTES TO FINANCIAL STATEMENTS

Your Cooperative's books and other financial records are audited by Certified Public Accountants which are approved by RUS as being qualified and capable of performing such audits. They make their report directly to the Rural Utilities Service. Your Cooperative is required to maintain its records in accordance with the Uniform System of Accounts as prescribed by the Federal Communications Commission.

WK&T, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 2015

OPERATING REVENUES

Local Network Services	\$4,815,261
Network Access Services	14,488,961
Long Distance Network Services	623,788
Miscellaneous	1,645,736
Less: Uncollectible	<u>(207,444)</u>
TOTAL OPERATING REVENUES	21,366,302

OPERATING EXPENSES

Plant Operations and Depreciation	16,739,579
Customer and Corporate Operations	8,030,246
Operating Taxes	<u>1,637,031</u>
TOTAL OPERATING EXPENSES.....	26,406,856
OPERATING LOSS.....	(5,040,554)

OTHER INCOME

Interest and Investment Income	3,011,270
Nonregulated Income	<u>6,409,869</u>
TOTAL OTHER INCOME.....	9,421,139

FIXED CHARGES

Interest Expense	2,460,611
INCOME BEFORE TAXES	1,919,974
Income Taxes	<u>968,939</u>
NET INCOME	<u>\$951,035</u>

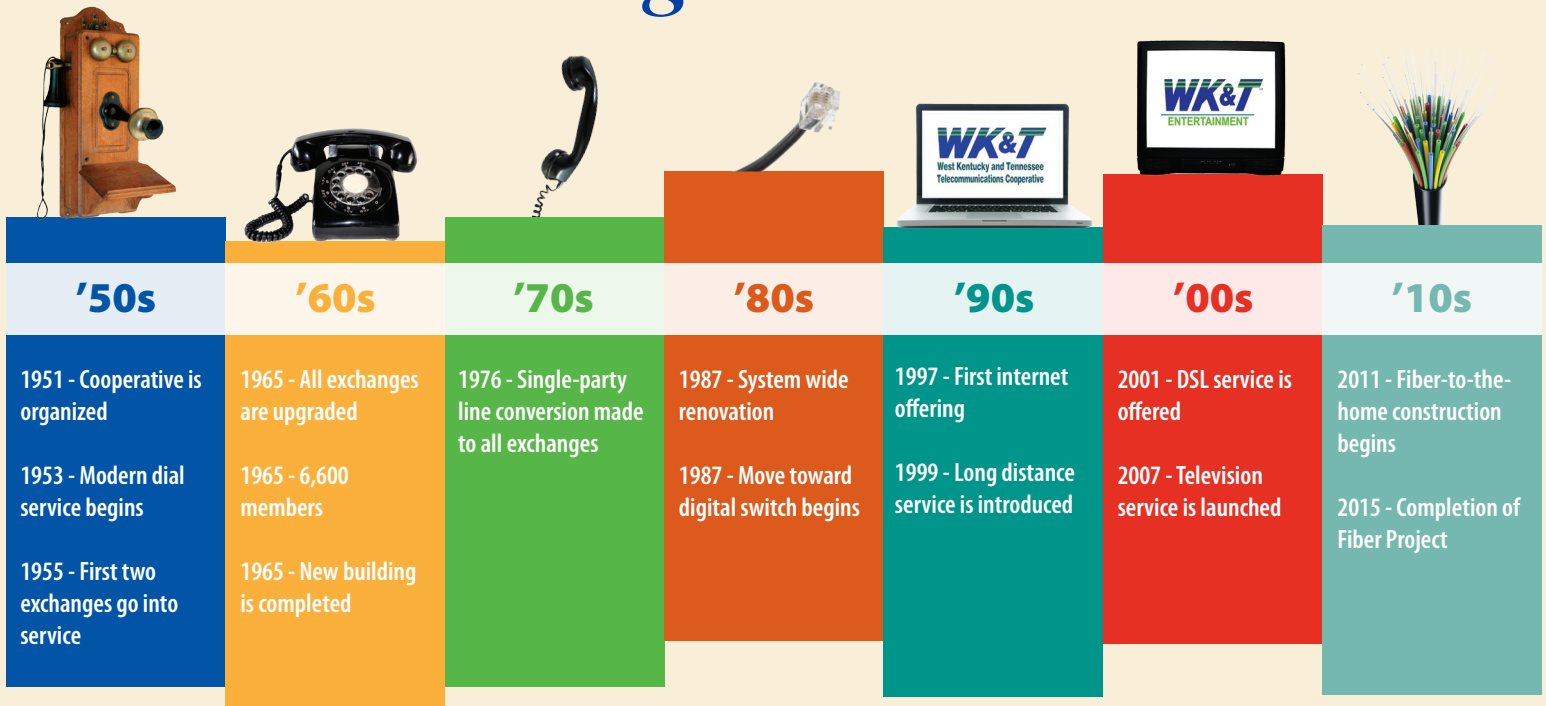
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2015

Net Income	\$951,035
Other Comprehensive Income Net of Tax	<u>(2,111,832)</u>
Comprehensive Income.....	<u>\$ (1,160,797)</u>



Through the decades



WK&T Vision Statement

WK&T through the concerted efforts of all our employees will continue to meet the total communications needs of our members and other potential customers utilizing state-of-the-art technologies and the most economical pricing possible, with quality customer service being our highest priority.

WK&T Mission Statement

WK&T is a responsible and caring community citizen committed to being the leader in providing the highest quality communications services, products and solutions to our members and others as feasible.

We will accomplish this by maintaining our position on the leading edge of technology, capitalizing on opportunities in related business ventures, using the most highly trained, motivated, and efficient professional employee team committed to customer satisfaction through personal challenge and involvement.