

TELECOMMUNICATIONS COMPANIES
2014
ANNUAL REPORT

FOR

321 COMMUNICATIONS INC

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

PO BOX 15557

(OFFICIAL MAILING ADDRESS)

BROOKSVILLE

(CITY)

FL

(STATE)

34604

(ZIP)

Please check if address listed above is an updated address

Report Year Ended: December 31, 2014

Inquiries concerning this Annual Report should be addressed to:

Name/Title: AMANDA ROLLINS, BUSINESS MANAGER

Address: PO BOX 15557

City: BROOKSVILLE

State/Zip: FL 34604

Telephone: 404-345-5133

Email: ABOYD@321COMMUNICATIONS.COM

SUBMIT TO:

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PO Box 47250

Olympia, WA 98504-7250

File online: www.utc.wa.gov

WASHINGTON

UTC

UTILITIES AND TRANSPORTATION
COMMISSION

ENTERED IN COMPUTER
OCT 30 2015
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REPORT MUST BE RECEIVED NO LATER THAN MAY 1, 2015

Please refer to the Instructions for Completing the Annual Report on Page 2

INSTRUCTIONS FOR ANNUAL REPORT COMPLETION

Commission Authority

The purpose of this form is to collect financial and operational information from telecommunications companies regulated by the Washington Utilities and Transportation Commission (UTC). The commission's authority for requiring this report is found in RCW 80.04.080. This report is a non-confidential public use form.

Certification

The Annual Report Certification must be signed by an authorized officer, partner or owner.

Regulatory Fees

Regulatory fees are set by commission order A-140166.

Deadlines and Penalties

All telecommunications companies regulated by the UTC are required to complete this form, including all schedules. Failure to complete all schedules will result in the report being considered incomplete and subject to penalties. Completed forms and regulatory fee payments must be received by the UTC no later than **May 1, 2015**. Failure to file the annual report by the above deadline will result in a financial penalty of \$100 for each business day after May 1. Failure to pay the regulatory fees by the above deadline will result in a 2 percent penalty on the amount due and a 1 percent monthly interest charge on the unpaid balance.

Extension Requests

You may file a written request for an extension to file the completed annual report; however, the commission will not extend the deadline for paying regulatory fees. Any extension request must be filed with the commission by April 15, 2015, and must state a valid reason for why the extension is needed and identify a specific date which the report will be filed with the commission. The commission will notify you by April 30 whether your request is approved or denied. Even if your request is approved, you will still be liable for penalties and interest payments if you fail to pay your regulatory fees by May 1. To file your extension request online visit:

<http://www.utc.wa.gov/docs/Pages/ElectronicFiling.aspx>

No longer operating in Washington

You may cancel your registration or permit by using the Voluntary Cancellation Form available at: www.utc.wa.gov/regulatedindustries/utilities/telcom/pages

However, if your company operated in Washington at any time during the 2014 calendar year, you must pay regulatory fees and file a closing annual report based on the months of operation during 2014.

Confidential Status

Telecommunications companies may file annual reports as confidential. You must follow the steps for filing confidential documents in WAC 480-07-160. The regulatory fee sheet portion of your report is not a confidential document and will not be accorded confidential treatment under the rule.

To view the confidential requirements in WAC 480-07-160, please visit the following site:

apps.leg.wa.gov/WAC/default.aspx?cite=480-07-160

Electronic Filing and Payment

To obtain an electronic format of the report, submit a report online or pay your regulatory fees online visit:

www.utc.wa.gov/regulatedindustries/pages/annualreports

Staff Contact

Pam Callea at (360) 664-1152 or pcallea@utc.wa.gov

TTY Toll-Free phone number 1-800-416-5289

ANNUAL REPORT CERTIFICATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned JJKAREEM JONES
 Responsible Account Officer (Please Print)

of 321 COMMUNICATIONS, INC
 Name of Company

have examined the foregoing report; that, to the best of my knowledge and belief, all statement of fact contained in said report are true and said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2014, to December 31, 2014, inclusive.

CEO

Title
(please print)

404-345-5133

Telephone Number

JJKAREEM JONES

Signature
(please type if filing electronically)

10/27/2015

Date

GENERAL INFORMATION

Washington Unified Business Identifier (UBI) No.: 602 923 978

(If you do not know your UBI No. please contact Business Licensing Service at 1-800-451-7985 or BLS@dor.wa.gov)

Business Structure (please check the appropriate designation):

Individual / Sole Proprietor Partnership Other (LP, LLP, LLC) Corporation Nonprofit Corporation

SCHEDULE 1

Telecommunications Company Financial & Operational Data

Part A. Financial: Please include the following information (as applicable below) along with this report.

	Required Information	ILECs (under 40,000 lines)	All Other Companies
<input checked="" type="checkbox"/>	Balance Sheet	RCW 80.04.530(2)	WAC 480-120-382
<input checked="" type="checkbox"/>	Income Statement	RCW 80.04.530(2)	Attach copies <or> provide URL to 2013 - S.E.C. Form 10-k: INSERT HYPERLINK HERE
<input type="checkbox"/>	Regulatory Fee Schedule	See attached Schedule	See attached Schedule

Washington State Data

(All companies must provide)

Part B. Services

Does your company provide local exchange services in WA? YES NO

Part C. Access Lines in service as of December 31, 2014

- 1 The total number of voice grade equivalent lines 0
This should be the same as the FCC Form 477 Part II, A. 1.
- 2 How many of the lines listed in C.1. above, have access to E-911 0

Part D. Revenue Confirmation

	Total Company	Total WA	WA Intrastate
Annual Revenue for the twelve months ended December 31, 2014	4,430,560.84 (Gross)	\$0	\$0

REGULATORY FEE CALCULATION SCHEDULE

Due May 1, 2015

Company Name _____ 0 _____ Annual Report Year **2014**

In accordance with RCW 80.24.010 "Regulatory Fees", the Commission requires Telecommunication companies to file reports of gross intrastate operating revenue and pay fees on that revenue. Every company subject to regulation shall file with the Commission a statement under oath showing its gross intrastate revenue for the preceding year and pay to the Commission a fee as instructed below.

Regulatory Fee Calculations

1	Total Gross Intrastate Operating Revenue**			\$0.00
2	Less Non Fee-Paying Revenue (Include details on separate page for non-paying revenue)			
3	Balance-Adjusted Gross Intrastate Operating Revenue (Line 1 minus Line 2)			\$0.00
4a	If Line 3 is UNDER \$20,000, enter ZERO (skip to Line 5)			
4b	If Line 3 is BETWEEN \$20,000 and \$50,000 enter amount from Line 3 x 0.1% (skip to Line 5)	x	0.001	\$0.00
4c	If Line 3 is OVER \$50,000 enter amount from Line 3			
4d	First \$50,000 is subject to .1% regulatory fee	x	0.001	\$0.00
4e	Remainder of gross intrastate revenue subject to .2% (Line 4c minus Line 4d)	\$0.00 x	0.002	\$0.00
5	Total Regulatory Fees owed (enter Line 4b, or add 4d and 4e)			\$0.00

Agency Use Only 001-111-0268-170-01

Penalty & Interest Calculations

6	Penalties on Regulatory Fees being paid after May 1			
6a	Total Penalties on Regulatory Fees owed (enter amount from Line 5 x 2%)	\$0.00 x	0.02	\$0.00
7	Interest on Regulatory Fees being paid after May 31			
7a	Amount from Line 5 x Number of months past May 31 x 1%	\$0.00 x	0 x 0.01	\$0.00
8	Total Penalties and Interest owed (Line 6a plus Line 7a)			\$0.00
9	Total Regulatory, Penalties and Interest Fees Due (Line 5 plus Line 8)			\$0.00

Agency Use Only 001-111-0268-170-11

****Note:** The revenues subject to the Commission's regulatory fees are gross Washington intrastate operating revenues before deductions for uncollectibles, unbillables, subscriber/aggregator commissions or the payment of site charges and state and federal taxes, i.e. "Gross Revenues" means before any deductions from Revenue Receipts.

COMMISSION USE ONLY

Reception #: _____	001-111-0268-170-01 _____
Reference: <u>AR2014</u>	001-111-0268-170-11 _____
Payment ID: _____	001-111-0268-032-20 _____
	Total Paid: _____

321 COMMUNICATIONS, INC.
Balance Sheet
As of December 31, 2014

Cash Basis

	<u>Dec 31, 14</u>
ASSETS	
Current Assets	
Checking/Savings	
Chase Bank Prim 8586	53,546.28
Fifth 3rd Bank	87.10
Fifth 3rd Bank 11	305.00
Regions	3,866.79
Total Checking/Savings	<u>57,805.17</u>
Accounts Receivable	
Accounts Receivable	-3,436.62
Total Accounts Receivable	<u>-3,436.62</u>
Total Current Assets	54,368.55
Fixed Assets	
Company Vehicles	
Jay (BB & T)	38,007.90
Lenny (US BANK)	51,318.01
Savon (LEXUS)	49,541.07
Total Company Vehicles	<u>138,866.98</u>
Equipment Purchase	6,616.38
Total Fixed Assets	<u>145,483.36</u>
Other Assets	
MVNO Deposit	250,000.00
Total Other Assets	<u>250,000.00</u>
TOTAL ASSETS	<u><u>449,851.91</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	334,341.41
Total Accounts Payable	<u>334,341.41</u>
Credit Cards	
American Express 81000	770.48
Total Credit Cards	<u>770.48</u>
Other Current Liabilities	
Payroll Liabilities	181,575.32
Short Term Loan	
Unavo	3,000.00
Total Short Term Loan	<u>3,000.00</u>
USF TAXES	208,334.53
Total Other Current Liabilities	<u>392,909.85</u>
Total Current Liabilities	728,021.74
Long Term Liabilities	
MVNO Customer Deposit	250,000.00
Notes Payable	
Brian Cox	125,001.01
Jay Jones	49,032.93
Lenny Solt	57,756.18
Savon	4,454.35
Total Notes Payable	<u>236,244.47</u>
Total Long Term Liabilities	<u>486,244.47</u>
Total Liabilities	1,214,266.21

321 COMMUNICATIONS, INC.
Balance Sheet
As of December 31, 2014.

Cash Basis

	<u>Dec 31, 14</u>
Equity	
Opening Balance Equity	535,611.34
Retained Earnings	-1,295,427.65
Shareholder Distributions	-49,473.37
Net Income	44,875.38
Total Equity	<u>-764,414.30</u>
TOTAL LIABILITIES & EQUITY	<u>449,851.91</u>

321 COMMUNICATIONS, INC.
Profit & Loss
 January through December 2015

Cash Basis

	Jan - Dec 15
Ordinary Income/Expense	
Income	
Contracting Services	1,733.70
MVNO Income	4,225,626.31
Toll Free Income	
Origination Income	
Call Center Origination	
NON CCA	24.33
Call Center Origination - Other	120,850.21
Total Call Center Origination	120,874.54
INTER	30,434.84
Payphone	716.88
Total Origination Income	152,026.26
Termination Income	40,915.65
Toll Free Income - Other	4,980.38
Total Toll Free Income	197,922.29
Wireless Sales	5,278.54
Total Income	4,430,560.84
Cost of Goods Sold	
Carrier Expense	51.23
Carrier Fees	3.79
Carrier Origination	
800#	328.94
INTER	28,450.67
INTERNATIONAL	434.71
Payphone	11.97
Total Carrier Origination	29,226.29
Carrier Service	1,587.68
Carrier Termination	
800#'s	2,726.21
DOMESTIC	950.01
INTER	2,700.73
INTERNATIONAL	8.84
INTRA	2,049.56
Carrier Termination - Other	91.00
Total Carrier Termination	8,526.35
Colo Location	
Georgia	82,851.37
Total Colo Location	82,851.37
MVNO	3,607,454.30
Wireless Purchases	14,480.00
Total COGS	3,744,181.01
Gross Profit	686,379.83
Expense	
Automobile Expense	
Auto Loans	
BBT	4,358.57
LFS	7,866.30
Total Auto Loans	12,224.87
Repairs	3,673.83
Vehicle Tags	171.80
Total Automobile Expense	16,070.50
Bank Service Charges	746.95
Computer and Internet Expenses	
Maintenance Service	60.00

321 COMMUNICATIONS, INC.
Profit & Loss
 January through December 2015

Cash Basis

	Jan - Dec 15
Software	1,228.79
Computer and Internet Expenses - Other	5,022.24
Total Computer and Internet Expenses	6,311.03
Consultant	
Cat 5	48,800.00
Total Consultant	48,800.00
Insurance Expense	
Commerical Auto	4,343.25
General Liab.	1,063.33
Health	52,325.13
Life	649.00
Workers Comp	735.62
Total Insurance Expense	59,116.33
Meals and Entertainment	41.58
Membership Fee	502.75
Network Expense	
ANIs Fees	6,884.59
Internet Fees	1,080.96
IT Support	
Dheeraj	3,900.00
Nishant	8,796.00
IT Support - Other	65,569.13
Total IT Support	78,265.13
IT Support Prakash	1,644.00
IT Support Ravi	2,288.00
Lease	4,500.00
Resporg Services	7,500.00
Network Expense - Other	-13,235.97
Total Network Expense	88,926.71
Office Supplies	
Printing	94.58
Office Supplies - Other	2,494.45
Total Office Supplies	2,589.03
Payroll Expenses	
Payroll Fee	2,710.80
Taxes	52,449.92
Payroll Expenses - Other	211,155.31
Total Payroll Expenses	266,316.03
Postage & Delivery	
Fedex	806.14
UPS	250.21
Postage & Delivery - Other	19.88
Total Postage & Delivery	1,076.23
Professional Fees	
Accountant	875.00
ATMS Lawsuit	9,180.18
Attorney_Misc	3,670.50
Retainer	33,000.00
Professional Fees - Other	252.68
Total Professional Fees	46,978.36
Reconciliation Discrepancies	0.53
Regulatory Service	
Annual Corporation Filings	30,412.23
IRS Report Fees	50.00
TRS	8,668.44
Regulatory Service - Other	8.75

321 COMMUNICATIONS, INC.
Profit & Loss
 January through December 2015

Cash Basis

	Jan - Dec 15
Total Regulatory Service	39,139.42
Rent Expense	
Jacksonville	4,576.75
Sales Tax	87.15
Total Rent Expense	4,663.90
Sales Tax	197.76
Telephone Expense	
Cell Phones	9,430.35
Hosting Services	3,378.00
Total Telephone Expense	12,808.35
Travel Expense	
Airfare	4,486.18
Airport Parking	55.00
Car Rental	1,631.79
Entertainment	7,395.66
Equipment	257.59
Fuel	1,824.17
Lodging	10,017.79
Meals	5,836.89
Tolls	63.84
Transportation	1,471.46
Total Travel Expense	33,040.37
Total Expense	627,325.83
Net Ordinary Income	59,054.00
Other Income/Expense	
Other Income	
Interest Income	0.07
Total Other Income	0.07
Net Other Income	0.07
Net Income	59,054.07