TENINO TELEPHONE COMPANY

(A Wholly-Owned Subsidiary of Scatter Creek, Ltd.)

Reviewed Financial Statements

December 31, 2014 and 2013

TENINO TELEPHONE COMPANY

(A Wholly-Owned Subsidiary of Scatter Creek, Ltd.)

Reviewed Financial Statements

December 31, 2014 and 2013

INDEPENDENT ACCOUNTANT'S REVIEW REPORT1

REVIEWED FINANCIAL STATEMENTS

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1501 Regents Blvd., Suite 100 Fircrest, WA 98466-6060

Independent Accountant's Review Report

Board of Directors Tenino Telephone Company Tenino, Washington

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Johnson, Stone & Fayno, P.S.

JOHNSON, STONE & PAGANO, P.S.

February 17, 2015

REVIEWED FINANCIAL STATEMENTS

TENINO TELEPHONE COMPANY

(A Wholly-Owned Subsidiary of Scatter Creek, Ltd.)

BALANCE SHEETS

December 31, 2014 and 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash	\$	\$
Short-term investments		
Telecommunications accounts receivable, less		
allowance for doubtful accounts		
Recoverable federal income taxes		
Total Current Assets		
NONCURRENT ASSETS		
Other investments		
Deferred federal income tax benefits		
Total Noncurrent Assets		
PROPERTY, PLANT AND EQUIPMENT		
Telecommunications plant in service		
Less allowances for depreciation		
Telecommunications plant under construction		
Total Telecommunications Plant	_	
TOTAL ASSETS	\$	\$

TENINO TELEPHONE COMPANY

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BALANCE SHEETS (Continued)

December 31, 2014 and 2013

	2014	2013
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$	\$
Taxes, other than income taxes		
Other current liabilities		
Total Current Liabilities		
DUE TO AFFILIATED COMPANIES		
Total Liabilities		
STOCKHOLDER'S EQUITY		
Common stock		
Par value \$100 per share		
Authorized - 1,000 shares		
Issued and outstanding - 972 shares		
Retained earnings	_	_
Total Stockholder's Equity	_	_
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$	\$

TENINO TELEPHONE COMPANY

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STATEMENTS OF OPERATIONS AND RETAINED EARNINGS

Years Ended December 31, 2014 and 2013

		2013
OPERATING REVENUES		
Local network service revenues	\$	\$
Network access service revenues		
Miscellaneous revenues		
Uncollectible revenues (deduction)		
Total Operating Revenues		
OPERATING EXPENSES		
Plant specific operations		
Plant nonspecific operations		
Depreciation		
Customer operations		
Corporate operations		
Total Operating Expenses		
OPERATING TAXES (BENEFITS)		
Taxes, other than income		
Federal income tax benefits		
Total Operating Taxes (Benefits)	_	
Net Operating Loss		
OTHER INCOME (EXPENSE)		
Interest and dividend income		
Nonregulated income - net		
Nonoperating federal income taxes		_
Total Other Income		
NET LOSS		
Retained Earnings at Beginning of Year	_	
RETAINED EARNINGS AT END OF YEAR	\$	\$

TENINO TELEPHONE COMPANY

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STATEMENTS OF CASH FLOWS

Years Ended December 31, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$	\$
Adjustments to reconcile net loss to net cash		
provided by operating activities		
Depreciation of telecommunications plant		
Deferred federal income tax benefits		
Net change in operating assets and liabilities		
Net Cash Provided by Operating Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Net change in short-term investments		
Additions to telecommunications plant		
Cost of removal of telecommunications plant		
Salvage on retired telecommunications plant		
Net Cash Used by Investing Activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Net change in due to affiliated companies		
Net Cash Provided by Financing		
Activities		
NET INCREASE IN CASH		
Cash at Beginning of Year		
CASH AT END OF YEAR	\$	\$

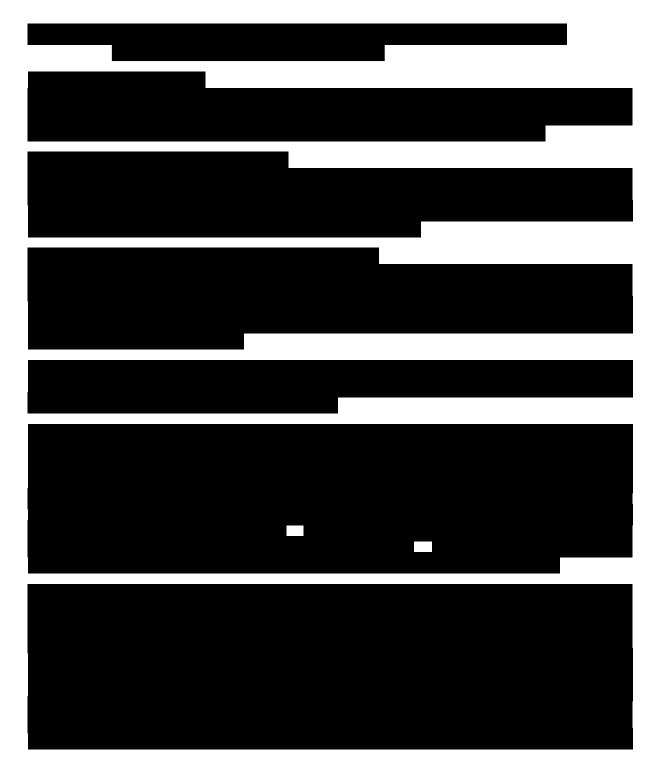
TENINO TELEPHONE COMPANY

(A Wholly-Owned Subsidiary of Scatter Creek, Ltd.)

STATEMENTS OF CASH FLOWS (Continued)

Years Ended December 31, 2014 and 2013

	2014	2013
COMPONENTS OF NET CHANGE IN OPERATING ASSETS AND LIABILITIES (Increase) decrease in assets Telecommunications accounts receivable Recoverable federal income taxes Increase (decrease) in liabilities Accounts payable Taxes, other than income taxes Other current liabilities	\$	\$
Net Change in Operating Assets and Liabilities	\$	\$
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION Federal income taxes refunded	\$	\$







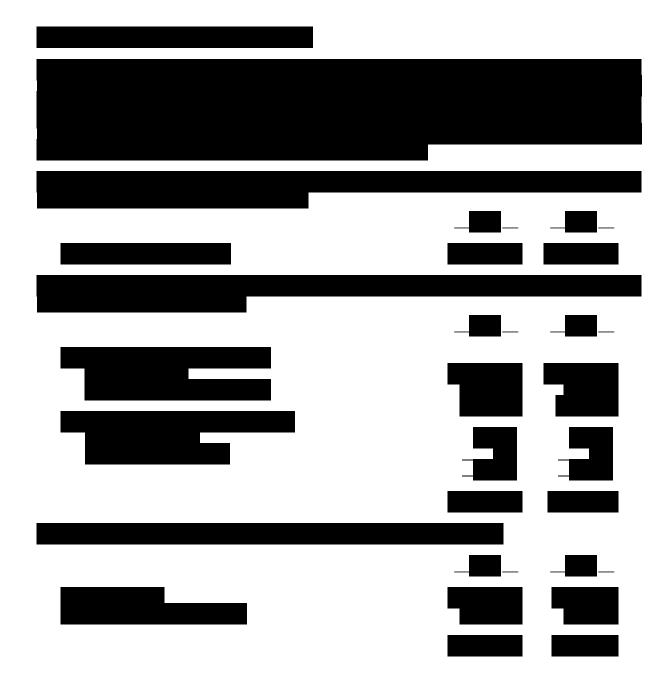
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Provision has been made for depreciation of the major classes of the telecommunications plant at straight-line rates as follows:

General support facilities Buildings Furniture and office equipment Vehicles and other work equipment Central office equipment Cable and wire facilities

4.00% 15.00%-25.00% 16.00% 9.00%-11.19% 4.55%-21.76%



Comparative Balance Sheet As of 12/31/2014

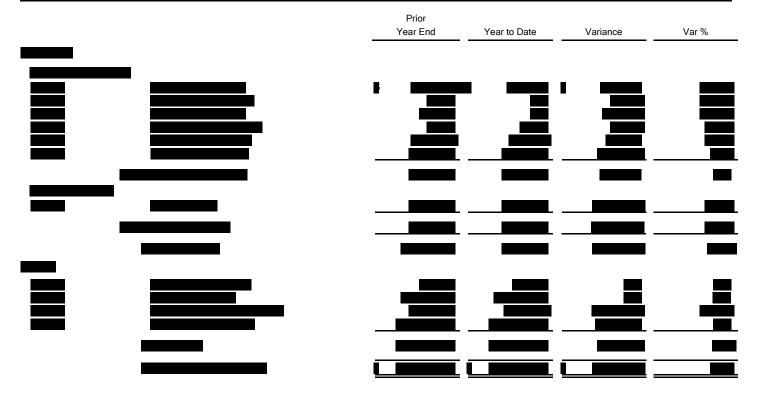
Scatter Creek Limited (SCL)

	Prior Year End Year to Date	Variance Var %
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		3

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Comparative Balance Sheet As of 12/31/2014

Scatter Creek Limited (SCL)



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Comparative Income Statement

For Period 12 Ending 12/31/2014

	Ending 12/31/2014			Scatter Cree	k Limited (SCL)
		Year to Date	% of Revenue		% of Revenue
		_	■		
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