

**DECLARATION NETWORKS GROUP, INC.**

*Redacted - Public Version*

**Balance Sheets**

**See Accompanying Notes to Financial Statements**

**December 31,**

2017

2016

**ASSETS**

**Current Assets:**

Cash

Accounts receivable

Prepaid expenses

Total current assets

**Property and Equipment, at cost:**

Broadband network assets

Customer premise equipment

Furniture and computer equipment

Under-construction networks

Total property and equipment

Less accumulated depreciation

Net property and equipment

**Other Assets:**

Deferred income tax asset

Security deposit

Total other assets

**Total Assets**

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**Current Liabilities:**

Convertible debt

Accrued interest on convertible debt

Accounts payable and accrued expense

Unearned revenue

Total current liabilities

**Long-Term Debt: °**

Notes payable to shareholder

Convertible debt

Accrued interest on convertible debt

Total long-term debt

**Total Liabilities**