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October 29, 2002

FILED³

NOV 04 2002

**Missouri Public
Service Commission**

VIA FEDERAL EXPRESS

Mr. Dale Roberts
Chief ALJ and Executive Secretary
Missouri Public Service Commission
200 Madison Street, Suite 100
Jefferson City, MO 65102

Re: Integrated Telecommunication Services, LLC – LOCAL EXCHANGE
Case No. CA-2003-0109

Dear Mr. Roberts:

Please find for filing an original and eight (8) copies of Integrated Telecommunication Services, LLC 's financial information (in redacted form) for the years ending December 31, 2000 and December 31, 2001. The sealed envelope, marked "confidential," contains eight (8) copies of the intact confidential information.

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self addressed, postage prepaid envelope. If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me via phone (678.775.2258) or email (kcampbell@telecomcounsel.com).

Respectfully submitted,



Karen E. Campbell
Regulatory Specialist for
Lance J.M. Steinhart
GA Bar No. 678222
Attorney for Integrated Telecommunication Services, LLC

Enclosures

cc: Enos Barger
Lisa Mahaney, Commission Staff
General Counsel, Missouri Public Service Commission

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To the Members
Pearson Vail, LLC
Jonesboro, Arkansas

Missouri Public
Service Commission

We have compiled the accompanying statement of revenue and expense-income tax basis of Pearson Vail, LLC (A Limited Liability Company) for the year ended December 31, 2000 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. These financial statements have been prepared on the basis of accounting used by the limited liability company for income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of the limited liability company. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The limited liability company has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user conclusions about the partnership's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Worlow , Bassett & Pankey, P.L.L.C.
May 21, 2001

Pearson & Vail, LLC
Statement of Assets, Liabilities & Equity-Income Tax Basis
December 31, 2000

Assets

Current Assets

Cash
Inventory
Notes Receivable - current
Other receivables
Prepaid Expenses

Property and Equipment

Leasehold Improvements
Furniture, Equipment & Fixtures
Vehicles
Less accumulated depreciation

Other Assets

Goodwill
Non Compete Agreement
Accumulated Amortization

Total Assets

Liabilities & Equity

Current Liabilities

Accounts payable - trade
Accrued expenses
Current portion of long term debt
Withheld and accrued payroll taxes

Notes Payable, net of current

Total Liabilities

Members' Equity

Total Liabilities &
Equity

See accountants' compilation report.

Pearson & Vail, LLC
Statement of Revenue & Expense-Income Tax Basis
December 31, 2000

Revenue

Cost of Sales

Gross Profit

Operating Expenses

Other Income and Expense

Interest Expense

Interest Income

Total Other Income and Expense

Net Income (Loss)

Unaudited-See accountants' compilation report.

Pearson & Vail, LLC

Statement of of Operating Expenses-Income Tax Basis
December 31, 2000

Operating Expenses

401k Contributions Expense	\$	4,266
Advertising & Promotion		244,845
Amortization Expense		11,667
Awards & Gifts		12,177
Bad Check Expense		9,842
Bank Charges		2,532
Cash(Over)Short		(1,247)
Contributions		680
Credit Card Fees		2,788
Depreciation Expense		22,800
Dues & Subscriptions		13,891
Employee Moving Expense		6,217
Equipment Rental		647
Insurance Expense		122,705
Misc Taxes & Licenses		7,639
Miscellaneous		50,442
Office & Computer		51,722
Payroll Expense		1,182,322
Payroll Tax Expense		102,313
Pest Control-Trumann		293
Professional Fees		1,575
Rent		239,377
Repairs & Maintenance		21,934
Sales Tax Paid		78,660
Security Service		473
Software Maintenance		8,996
Telephone		79,932
Training & Seminars		5,567
Travel, Entertainment & Meals		19,499
Uniform & Laundry		519
Utilities		72,211
Vehicle Expense		151,014
Total Operating Expenses	\$	<u>2,528,298</u>

Unaudited-See accountants' compilation report.