



A GUIDE TO UNDERSTANDING YOUR FINANCIAL STATEMENT

Asset management as individual as you



PORTFOLIO SUMMARY

This report shows the portfolio composition, change in portfolio and time weighted return by asset class as of a current date.

The Portfolio Composition— Shown in the graphical pie chart below, is designed to display an overview of the portfolio by asset class.

Change in Portfolio— A synopsis of what has occurred in the portfolio over a given period of time.

Accrued Interest – This is interest the portfolio has accumulated from bonds between the most recent interest payment and the next interest payment due.

Net Additions/Withdrawals – All additions and withdrawals, including management fees, over a given period of time.

Realized Gains – Net gains from the securities sold during the period (not from historical cost – does not represent capital gains).

Unrealized Gains – Net gains on the securities held during the time period.

Income Received – The total income received from assets in the portfolio over the time period.

Change in Accrued Interest – The change in interest that was received from bonds during the time period versus interest that has yet to be received.

Time Weighted Return— Shows the performance of the portfolio by asset class and the benchmarks performance for the given period of time shown.

Performance of Account by Asset Class – Provides the rate of return for asset classes of the portfolio over a given period of time.

Benchmarks – Provides asset class rates of returns for the markets.

Monthly Portfolio Value – This graph shows the difference between the market value of the portfolio and the principal value over time.

VALICENTI ADVISORY SERVICES, INC.
 PORTFOLIO SUMMARY
Sample Data Report
 June 30, 2005

PORTFOLIO COMPOSITION

	Market Value	Pct. Assets	Cur. Yield
Equities	229,392.50	40.5	1.5
Equity Mutual Funds	33,097.83	5.8	2.4
Fixed Income	301,333.01	53.3	6.9
Fixed Income Mutual Funds	0.00	0.0	0.0
Cash and Equiv.	2,050.24	0.4	4.5
Other	0.00	0.0	0.0
Total	565,873.58	100.00	4.50

CHANGE IN PORTFOLIO

Portfolio Value on 03-31-05	519,888.56
Accrued Interest	6,343.70
Net Additions/Withdrawals	32,877.06
Realized Gains	-4.02
Unrealized Gains	258.36
Income Received	7,679.97
Change in Accrued Interest	-1,170.05
Portfolio Value on 06-30-05	560,699.93
Accrued Interest	5,173.65

Total **565,873.58**

TIME WEIGHTED RETURN

	Month To Date	Quarter To Date	Year To Date	1 Year	3 Years	10 Years
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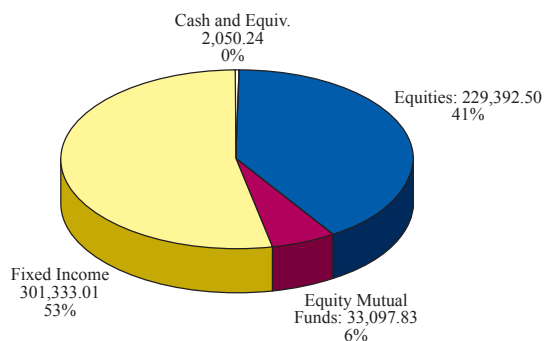
Performance of Account by Asset Class

Total Account	0.49	1.33	0.80	5.81	10.20	0.00
Equities	-1.54	1.37	-1.81	1.04	9.41	0.00
Equity Mutual Funds	-0.02	-0.02	-0.02	-0.02	-0.01	0.00
Fixed Income	1.96	1.38	1.99	8.03	13.45	0.00
Fixed Income Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00
Cash and Equiv.	0.12	0.85	1.29	1.65	0.93	0.00

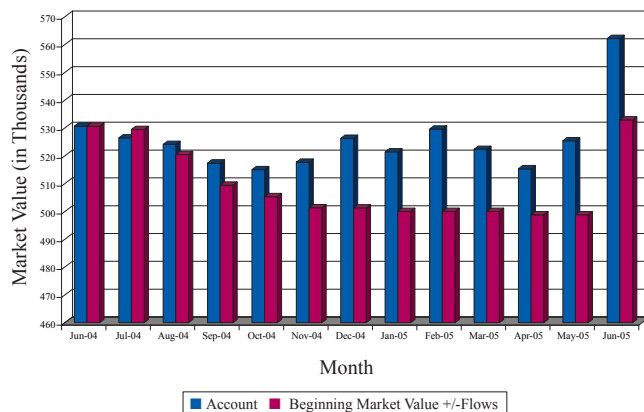
Benchmarks

S&P 500 Index	0.14	1.37	-0.78	6.24	8.28	9.91
Citi Corp Corporate Bond Index	0.89	3.71	2.55	8.32	8.22	7.36
U.S. Treasury Bill Index (90 day)	0.22	0.69	1.20	2.06	1.59	4.09

ASSET GRAPH
June 30, 2005



MONTHLY PORTFOLIO VALUE
From 06-30-04 to 06-30-05





PORTFOLIO APPRAISAL

This report details your specific investments at the end of the statement period. For each security, current annual income and current annual yield are provided. Cash and equivalents, government bonds, corporate bonds, municipal bonds, mutual funds, common stocks, preferred stocks and other securities are itemized with a total market value by security type for the current date.

Quantity— Represents units or shares held in the portfolio.

Bonds are viewed in units of 1,000.

Stocks are viewed on a per share basis.

Security— The name of the company within the portfolio. In reference to bonds, there is also a description of the coupon and maturity date. Bonds are listed in order of maturity.

Unit Cost— The per unit or share cost of the security at the time of purchase.

Total Cost— The unit cost times the number of units or shares. This represents the principal amount paid for each security.

Price— The unit market value of the security as of the date of the report.

Market Value— The current price times the number of shares of the security as of the date of the report.

Percent (Pct) Assets— Represents the individual security's percentage of the entire portfolio.

Unit Income— The stated income from a security paid in interest or dividends.

Annual Income— The projected amount of income generated by the security on an annual basis.

Current Yield— Represents the annual income divided by the market value.

VALICENTI ADVISORY SERVICES, INC.
PORTFOLIO APPRAISAL – SETTLED TRADES

Sample Data Report

June 30, 2005

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
CASH AND EQUIVALENTS									
	MONEY MARKET FUNDS		4,059.63		4,059.63	1.7	4.470	181.47	4.5
			4,059.63		4,059.63	1.7		181.47	4.5
CORPORATE BONDS									
15,000.000	SEA CONTAINERS LTD 10.500% Due 05-15-12	103.88	15,581.25	103.00	15,450.00	6.4	10.500	1,575.00	10.2
20,000.000	R J REYNOLDS 9.250% Due 08-15-13	84.02	16,803.75	111.00	22,200.00	9.1	9.250	1,850.00	8.3
15,000.000	GENERAL MOTORS ACC SMART NOTES 6.750% Due 08-15-16	100.29	15,043.20	84.95	12,742.52	5.3	6.750	1,012.50	7.9
10,000.000	HILTON HOTELS CORP 7.500% Due 12-15-17	103.38	10,337.50	117.32	11,732.48	4.8	7.500	750.00	6.4
15,000.000	UNION CARBIDE 7.875% Due 04-01-23 Accrued Interest	98.25	14,737.50	110.75	16,612.50	6.8	7.875	1,181.25	7.1
					1,256.09	0.5			
			72,503.20		79,993.59	33.0		6,368.75	8.1
GOVERNMENT BONDS									
10,000.000	FEDERAL FARM CREDIT BANKS 2.500% Due 11-15-05	99.98	9,998.30	99.61	9,961.38	4.1	2.500	250.00	2.5
25,000.000	FEDERAL NATIONAL MTG ASSOCN 6.000% Due 03-21-25 Accrued Interest	100.10	25,025.00	100.39	25,098.65	10.3	6.000	1,500.00	6.0
					443.75	0.2			
			35,023.30		35,503.78	14.6		1,750.00	5.0
COMMON STOCK									
200.0000	ADOBE SYSTEMS INC	19.26	3,851.00	28.61	5,722.00	2.4	0.000	0.00	0.0
400.0000	CISCO SYSTEMS INC	11.87	4,746.93	19.08	7,632.00	3.1	0.000	0.00	0.0
1,000.0000	CORNING INC	4.28	4,276.32	16.62	16,620.00	6.8	0.000	0.00	0.0
200.0000	DELL INC	46.59	9,317.45	39.46	7,892.00	3.3	0.000	0.00	0.0
150.0000	EXXON MOBIL CORP	35.54	5,330.50	57.47	8,620.50	3.6	1.280	192.00	2.2
100.0000	GENERAL ELECTRIC CO	27.90	2,789.69	34.65	3,465.00	1.4	1.000	100.00	2.9
100.0000	HOME DEPOT INC	31.52	3,151.95	38.90	3,890.00	1.6	0.600	60.00	1.5
150.0000	INTEL CORP	21.76	3,264.45	26.02	3,903.00	1.6	0.400	60.00	1.5
150.0000	INTUITIVE SURGICAL	36.28	5,441.91	46.64	6,996.00	2.9	0.000	0.00	0.0
100.0000	KOHL'S CORP	54.10	5,409.58	55.91	5,591.00	2.3	0.000	0.00	0.0
50.0000	LEHMAN BROTHERS HOLDINGS INC	94.40	4,719.95	99.28	4,964.00	2.0	0.480	24.00	0.5
400.0000	MICROSOFT CORP	35.82	14,329.95	24.84	9,936.00	4.1	0.360	144.00	1.4
100.0000	MORGAN STANLEY	48.84	4,884.00	52.47	5,247.00	2.2	1.080	108.00	2.1
100.0000	PAYCHEX INC	38.66	3,865.75	32.52	3,252.00	1.3	0.640	64.00	2.0
250.0000	PFIZER INC	33.57	8,392.18	27.58	6,895.00	2.8	0.960	240.00	3.5
200.0000	SYMANTEC CORP	16.86	3,372.50	21.74	4,348.00	1.8	0.000	0.00	0.0
200.0000	TIME WARNER INC	15.24	3,047.00	16.71	3,342.00	1.4	0.200	40.00	1.2
100.0000	VALERO ENERGY CORP	69.83	6,982.95	79.11	7,911.00	3.3	0.320	32.00	0.4
200.0000	VERIZON COMMUNICATIONS	37.33	7,466.90	34.55	6,910.00	2.8	1.620	324.00	4.7
			104,640.95		123,136.50	50.7		1,388.00	1.1
TOTAL PORTFOLIO			216,227.08		242,693.50	100.0		9,688.22	4.0



INCOME AND EXPENSES

This report details the income and expenses by assets held in the account minus management fees over the given time period.

Trade/Settle Date— The date on which the security paid interest or a dividend.

Security— The name of the company within the portfolio. In reference to bonds, there is also a description of the coupon and maturity date.

Amount— The total income received per security during the time period.

Net Income— All income received in the account, for the stated time period less management fees.

VALICENTI ADVISORY SERVICES, INC.
INCOME AND EXPENSES - SETTLED TRADES

Sample Data Report

From 04-01-05 Through 06-30-05

<u>Trade</u>	<u>Settle</u>	<u>Security</u>	<u>Amount</u>
CASH AND EQUIVALENTS			
04-15-05	04-15-05	MONEY MARKET FUNDS	14.23
05-16-05	05-16-05	MONEY MARKET FUNDS	4.20
06-15-05	06-15-05	MONEY MARKET FUNDS	7.67
			<u>26.10</u>
CORPORATE BONDS			
04-01-05	04-01-05	UNION CARBIDE 7.875% Due 04-01-23	590.63
04-15-05	04-15-05	GENERAL MOTORS ACC SMART NOTES 6.75% Due 08-15-16	84.38
05-15-05	05-15-05	SEA CONTAINERS LTD 10.5% Due 05-15-12	787.50
05-16-05	05-16-05	GENERAL MOTORS ACC SMART NOTES 6.75% Due 08-15-16	84.38
06-15-05	06-15-05	GENERAL MOTORS ACC SMART NOTES 6.75% Due 08-15-16	84.38
06-15-05	06-15-05	HILTON HOTELS CORP 7.5% Due 12-15-17	375.00
			<u>2,006.27</u>
GOVERNMENT BONDS			
06-13-05	06-13-05	FEDERAL NATIONAL MTG ASSOCN 6% Due 02-03-20	216.67
06-16-05	06-16-05	FEDERAL FARM CREDIT BANKS 2.5% Due 11-15-05	-22.22
			<u>194.45</u>
COMMON STOCK			
04-12-05	04-12-05	ADOBE SYSTEMS INC	1.25
04-25-05	04-25-05	GENERAL ELECTRIC CO	22.00
04-29-05	04-29-05	MORGAN STANLEY	27.00
05-02-05	05-02-05	VERIZON COMMUNICATIONS	81.00
05-16-05	05-16-05	PAYCHEX INC	13.00
05-24-05	05-24-05	LEHMAN BROTHERS HOLDINGS INC	10.00
06-01-05	06-01-05	INTEL CORP	12.00
06-07-05	06-07-05	PFIZER INC	47.50
06-09-05	06-09-05	MICROSOFT CORP	32.00
06-10-05	06-10-05	EXXON MOBIL CORP	43.50
06-15-05	06-15-05	VALERO ENERGY CORP	10.00
06-23-05	06-23-05	HOME DEPOT INC	10.00
			<u>309.25</u>
AFTER FEE PERFORMANCE EXPENSE ACCOUNTS			
04-06-05	04-06-05	MANAGEMENT FEES	588.33
			<u>588.33</u>
NET INCOME			1,947.74



CONTRIBUTIONS AND WITHDRAWALS

This report is a detailed breakdown of the contributions to and the withdrawals from the portfolio over the given time period.

Total Contributions— All of the contributions to the portfolio over the given time period.

Total Withdrawals— All of the withdrawals from the portfolio over the given time period.

Net Total— The total contributions less the total withdrawals for the period.

VALICENTI ADVISORY SERVICES, INC.
 CONTRIBUTIONS AND WITHDRAWALS
Sample Data Report
From 04-01-05 To 06-30-05

CONTRIBUTIONS:

06-14-05	FEDERATED CONSERVATIVE ALLOCATION FUND	33,101.48	
06-20-05	MONEY MARKET FUNDS	1,000.00	
		34,101.48	
Total Contributions			34,101.48

WITHDRAWALS:

04-29-05	MONEY MARKET FUNDS	42.02	
04-29-05	MONEY MARKET FUNDS	0.03	
05-27-05	MONEY MARKET FUNDS	15.56	
		57.61	
Total Withdrawals		57.61	

NET TOTAL	34,043.87
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PURCHASE AND SALE

This report provides a detailed list of all securities purchased and sold during the stated time period.

Trade Date— The date the security was purchased or the security was sold.

Settle Date— Typically, three business days after the trade was executed.

Bonds may have elongated settle dates.

Equities settle in 3 days.

Mutual Funds can settle in one day.

Treasuries may settle the same day.

Quantity— Represents units or shares held in the portfolio.

Bonds are viewed in units of 1,000.

Stocks are viewed on a per share basis.

Security— The name of the company within the portfolio. Bonds also have a description of the coupon and maturity date. Bonds are listed in order of maturity.

Unit Price— The per unit cost of the security purchased or sold.

Amount— The total cost or total proceeds of the security purchased or sold.

VALICENTI ADVISORY SERVICES, INC.
PURCHASE AND SALE - SETTLED TRADES
Sample Data Report
From 04-01-05 To 06-30-05

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>
PURCHASES					
04-19-05	04-22-05	100.000	ADOBE SYSTEMS INC	57.21	5,721.34
04-26-05	04-29-05	100.000	CATERPILLAR INC DEL	89.18	8,917.95
04-26-05	04-29-05	250.000	CORNING INC	12.70	3,174.95
06-16-05	06-17-05	10,000.000	FEDERAL FARM CREDIT BANKS 2.500% Due 11-15-05	99.98	9,998.30
06-24-05	06-29-05	100.000	FEDEX CORP	80.38	8,037.92
04-26-05	04-29-05	350.000	INTEL CORP	23.48	8,216.95
04-26-05	04-29-05	100.000	LEHMAN BROTHERS HOLDINGS INC	92.73	9,272.95
05-27-05	06-02-05	200.000	PAYCHEX INC	29.60	5,919.93
04-26-05	04-29-05	200.000	PROCTER & GAMBLE	53.75	10,749.95
04-28-05	05-03-05	25,000.000	SEA CONTAINERS LTD 10.500% Due 05-15-12	105.88	26,470.00
04-26-05	04-29-05	200.000	SYMANTEC CORP	18.97	3,793.00
03-31-05	04-05-05	150.000	ZIMMER HOLDINGS, INC	78.45	11,767.00
					112,040.24
REINVESTED DIVIDENDS					
06-16-05	06-16-05	16.200	FEDERATED CONSERVATIVE ALLOCATION FUND	10.97	177.71
					177.71
SALES					
05-27-05	06-02-05	100.000	ADOBE SYSTEMS INC	32.90	3,289.92
04-27-05	05-02-05	25,000.000	BANKERS TRUST 7.500% Due 11-15-15	117.55	29,386.75
06-13-05	06-13-05	25,000.000	FEDERAL NATIONAL MTG ASSOCN 6.000% Due 12-02-19	100.00	25,000.00
04-27-05	05-02-05	25,000.000	HILTON HOTELS CORP 7.500% Due 12-15-17	112.51	28,127.50
04-26-05	04-29-05	150.000	HOME DEPOT INC	36.14	5,420.32
04-26-05	04-29-05	50.000	JOHNSON & JOHNSON	67.76	3,387.90
04-26-05	04-29-05	100.000	LILLY ELI & CO	58.45	5,844.80
					100,457.19



REALIZED GAINS AND LOSSES

This report lists realized gains and losses for securities within the portfolio during a given time period.

Open Date— The date the security was purchased.

Close Date— The date the security was sold.

Quantity— The number of shares of stock or the amount of the bond that was purchased/sold.

Security— The name of the company within the portfolio. Bonds also have a description of the coupon and maturity date. Bonds are listed in order of maturity.

Cost Basis— The original price of the security. It is usually the purchase price.

Proceeds— The amount received by the seller of the asset.

Gain— The profit on a security transaction. The gain is realized when the security is sold for more than the purchase price.

Loss— The deficit on a security transaction. The loss is realized when the security is sold for less than the purchase price.

Short Term— The security was held for less than 12 months.

Long Term— The security was held for more than 12 months.

Total Realized Gain/Loss— The total realized gains less the total losses for the period or vice versa.

VALICENTI ADVISORY SERVICES, INC.
REALIZED GAINS AND LOSSES - SETTLED TRADES
Sample Data Report
From 04-01-05 Through 06-30-05

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
09-05-03	04-29-05	50.0000	JOHNSON & JOHNSON	2,509.25	3,387.90		878.65
12-06-95	04-29-05	150.0000	HOME DEPOT INC	1,499.57	5,420.32		3,920.75
03-30-04	04-29-05	100.0000	LILLY ELI & CO	6,582.13	5,844.8		-737.33
11-09-98	05-02-05	25,000.0000	BANKERS TRUST 7.500% Due 11-15-15	24,750.00	29,386.75		4,636.75
11-17-98	05-02-05	25,000.0000	HILTON HOTELS CORP 7.500% Due 12-15-17	23,562.50	28,127.50		4,565.00
02-03-04	06-02-05	100.0000	ADOBE SYSTEMS INC	1,809.83	3,289.92		1,480.09
12-02-04	06-13-05	25,000.0000	FEDERAL NATIONAL MTG ASSO CN 6.000% Due 12-02-19	25,000.00	25,000.00	0.00	
TOTAL GAINS						0.00	15,481.23
TOTAL LOSSES						0.00	-737.33
				85,713.28	100,457.19	0.00	14,743.91
TOTAL REALIZED GAIN/LOSS			14,743.91				



MANAGEMENT FEE SUMMARY

This report shows the calculation of fees on the portfolio for the given time period.

Portfolio Value— The value of the portfolio including accrued interest, on the given date.

Percent of Total— Billing based on family billing total.

Brackets/Rates— The fee schedule.

Quarterly Management Fees— The fee for the calendar quarter covered by the report.

Sample Data Report
400 East Water Street
Elmira, NY 14901

VALICENTI ADVISORY SERVICES, INC.
STATEMENT OF MANAGEMENT FEES - SETTLED TRADES

Portfolio Valuation with Accrued Interest as of 06-30-05 \$ 562,494.06

<u>Brackets (000's)</u>			<u>Rates (%)</u>			
0	-	500	1.000	500,000 pro-rated @	1.00% per annum	1,250.00
500	-	1,000	0.750	62,494 pro-rated @	0.75% per annum	117.18

Quarterly Management Fee \$ 1,367.18

TOTAL DUE AND PAYABLE **\$ 1,367.18**



Asset management
as individual as you

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