

**PACIFICA FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
SEPTEMBER 30, 2010**

**PACIFICA FOUNDATION
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

Table of Contents

INDEPENDENTS AUDITORS'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position.....	2-3
Statement of Activities.....	4
Statement of Functional Expenses.....	5
Statement of Cash Flows.....	6
NOTES TO FINANCIAL STATEMENTS	7-18
SUPPLEMENTAL INFORMATION	
Statement of Financial Position by Division.....	19-20
Statement of Activities by Division.....	21
Statement of Functional Expenses by Division.....	22
Statement of Functional Expenses - Program Services.....	23
Statement of Functional Expenses - Management & General.....	24
Statement of Functional Expenses - Fundraising.....	25
Other Revenue by Division.....	26

PACIFICA FOUNDATION
Statement of Financial Position
At September 30, 2010

Assets

Current assets:

Cash and cash equivalents	\$ 410,431
Investments (note 6)	11,509
Pledges receivable (net)	886,207
Other receivables	215,451
Premium inventory	146,485
Prepaid expenses	87,922
Total current assets	<u>1,758,005</u>

Non-current assets:

Property and equipment, net	2,891,163
Intangible and other assets	57,050
Bequests receivable	382,670
Restricted cash (note 4)	432,878
Program endowment investment (note 6)	311,837
Total non-current assets	<u>4,075,598</u>
Total assets	<u><u>\$ 5,833,603</u></u>

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Financial Position (continued)
At September 30, 2010

Liabilities

Current liabilities:

Accounts payable	\$ 1,709,524
Advances under line of credit	100,000
Accrued expenses and benefits	759,009
Total current liabilities	<u>2,568,533</u>

Non-current liabilities:

Deferred rent liability (office, studio & tower)	661,723
Total non-current liabilities	<u>661,723</u>
Total liabilities	<u>3,230,256</u>

Net assets:

Unrestricted	1,174,510
Temporarily restricted (note 7)	312,782
Permanently restricted (note 8)	1,116,055
Total net assets	<u>2,603,347</u>

\$ 5,833,603

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Activities
For the Year Ended September 30, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenue and support:				
Listener support / donations	\$10,585,979			\$10,585,979
Grants (note 15)	1,129,598	562,266		1,691,864
Community events	503,624			503,624
Sub-channel income (note 16)	229,600			229,600
Other revenue	353,908			353,908
Investment income	35,448			35,448
Net assets released from restrictions	495,650	(495,650)		0
Total revenue and support	<u>13,333,807</u>	<u>66,616</u>	<u>0</u>	<u>13,400,423</u>
Expenses:				
Program services	7,801,762			7,801,762
Management and general	4,123,959			4,123,959
Fundraising and development	3,449,551			3,449,551
Total expenses	<u>15,375,272</u>	<u>0</u>	<u>0</u>	<u>15,375,272</u>
Change in net assets	<u>(2,041,465)</u>	<u>66,616</u>	<u>0</u>	<u>(1,974,849)</u>
Net assets, beginning of year (note 19)	3,215,975	246,166	1,116,055	4,578,196
Net assets, end of year	<u><u>\$ 1,174,510</u></u>	<u><u>\$ 312,782</u></u>	<u><u>\$ 1,116,055</u></u>	<u><u>\$ 2,603,347</u></u>

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Functional Expenses
For the Year Ended September 30, 2010

	Program Services	Management and General	Fundraising and Development	Total Functional Expenses
Expenses:				
Personnel costs	\$ 4,323,244	\$ 1,891,481	\$ 1,181,758	\$ 7,396,483
Advertising and promotion	-	4,403	33,045	37,448
Associations and periodicals	4,627	19,518	1,056	25,201
Audit fees	-	150,606	-	150,606
Bank charges and finance charges	-	78,541	178,942	257,483
Board meetings and elections	-	387,023	-	387,023
Communications expense	327,304	116,083	52,166	495,553
Community events	2,352	100	302,732	305,184
Computer maintenance	74,440	49,826	29,382	153,648
Consultants	106,045	225,856	20,185	352,086
Depreciation and amortization	197,906	66,065	49,663	313,634
Direct mail and telemarketing	21,245	412	319,373	341,030
Equipment rental	1,241	61,164	17,298	79,703
Insurance	-	209,118	-	209,118
Interest	10,047	10,607	-	20,654
Legal fees	-	244,564	503	245,067
Legal settlement fees	-	83,366	-	83,366
Miscellaneous	457	14,887	94	15,438
Rent-office/studio	298,053	133,609	82,222	513,884
Rent-tower	589,775	500	-	590,275
Office expenses	529	44,735	1,152	46,416
Outside services	5,260	23,488	37,103	65,851
Permits, fines and filing fees	-	5,070	-	5,070
Premiums and shipping (for donations)	264	-	1,075,498	1,075,762
Programming costs	1,370,901	-	-	1,370,901
Repairs and maintenance	111,546	111,370	7,609	230,525
Storage	871	20,951	2,436	24,258
Tapes and supplies	21,976	53,916	25,337	101,229
Taxes - property tax	-	43,307	-	43,307
Training expense	10,998	11,787	2,861	25,646
Travel	7,015	26,299	656	33,970
Utilities	315,666	35,307	28,480	379,453
Total expenses	\$ 7,801,762	\$ 4,123,959	\$ 3,449,551	\$15,375,272

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Cash Flows
For the Year Ended September 30, 2010

Cash flows from operating activities	
Changes in net assets	(1,974,849)
Adjustments to reconcile change in net assets to net cash used by operating activities	
Depreciation and amortization	313,634
Realized and unrealized gain on investments	(520)
Restricted cash	1,751
Change in operating assets and liabilities	
Decrease in pledges and other receivables	164,294
Increase in prepaid expenses	(4,105)
Increase in inventory	(1,864)
Increase in accounts payable	914,575
Increase in accrued expenses and benefits	(123,625)
Increase in deferred rent liability	82,806
Net cash used by operating activities:	<u>(627,903)</u>
 Cash flows from investing activities	
Purchase of property and equipment	(69,481)
Proceeds/acquisition from sales of investments (net)	93,357
Net cash provided by investing activities:	<u>23,876</u>
 Cash flows from financing activities	
Payments made on capital leases	(6,583)
Net cash used by financing activities:	<u>(6,583)</u>
 Net decrease in cash	(610,610)
 Cash, beginning of year	1,021,041
 Cash, end of year	<u><u>410,431</u></u>
 Supplemental information	
Cash paid for interest	\$ 20,654

The accompanying notes are an integral part of these financial statements

**PACIFICA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

1. Organization

Pacifica Foundation was incorporated under the Nonprofit Corporation Law of the State of California on August 24, 1946 and was recognized as a tax exempt organization on August 16, 1950 under section 101 (c) of the 1939 Internal Revenue Code which now corresponds with IRC 501(c) (3) as a public charity. Pacifica currently operates, on a not-for-profit basis, five FM radio stations and maintains a program tape library which is used to sell and rent taped programs to other non-commercial radio stations, news services, schools, colleges, universities and the general public. Contributions are used to support non-commercial radio stations and to create public affairs programming which is available to approximately 125 affiliated non-commercial radio stations.

The financial statements include the operations of the following divisions:

Radio Station-KPFA-Berkeley, California
Radio Station-KPDK-Los Angeles, California
Radio Station-KPFT-Houston, Texas
Radio Station-WBAL-New York, New York
Radio Station-WPFW-Washington, D.C.
Pacifica Foundation-National Division (National Office & Pacifica Radio Archives)

All significant inter-division accounts have been eliminated.

2. Summary of Significant Accounting Policies

The summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows:

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America. They are presented in accordance with the provisions of Accounting Standards Codification 958, "Financial Statements of Not-For-Profit Organization". Under the provisions of Codification 958, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of The Foundation and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed restrictions, but may be designated for specific purposes by the action of the Board of Directors or otherwise limited by contractual arrangements with outside parties.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed restrictions that may can be fulfilled either by actions of the Foundation pursuant to those stipulations and/or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed restrictions that the foundation maintains. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for general or specific purposes. (see note 8)

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

2. Summary of Significant Accounting Policies (continued)

Revenues are reported as increases in unrestricted net assets unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Restricted Grants and Contributions – Grant awards require the fulfillment of certain conditions as set forth in the grant instrument. Failure to fulfill the conditions could result in return of the funds to the grantors. The Foundation deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Foundation to the provisions of the grants. Pacifica's management is of opinion that the Foundation has complied with the terms and conditions of all the grants.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, cash and cash equivalents are defined as demand deposits at banks and certificates of deposit with purchased maturities of less than ninety days.

Allowance for Doubtful Accounts

Pledges receivable are shown net of allowance for doubtful accounts. After review of pledges receivable aging, management estimated reserves of \$98,467 at September 30, 2010.

Inventory

Each station maintains an inventory of items used for premium incentives in fundraising activities that are carried at the lower of cost or fair market value.

Revenue Recognition

Contribution is recognized when the donor makes a promise to give that is, in substance, unconditional. Grant revenue is recognized as earned expenses are incurred. Contributions of assets other than cash are recorded at fair value at the date of donation. In accordance with the provision of Accounting Standards Codification 9598-608, "Accounting for Contributions Received and Contributions Made", contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restriction expires in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are classified to unrestricted net assets.

All unconditional promises to give, which are expected to be received beyond one year, are discounted to their net present value.

Donated Facilities and Services

Contributions of donated non-cash assets are recorded at their fair market values in the period received. Donated services are recognized as contributions in accordance with the provision of Accounting Standards Codification 958-605, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

2. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Costs are allocated between fund-raising, management and general expense or the appropriate program based on evaluations of the related benefits and actual hours. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates include the collectability of accounts receivable, depreciation and amortization, accrued liabilities, and the allocation of functional expenses.

Property and Equipment

Purchases of property and equipment are recorded at cost. Assets acquired by contribution of bequest are stated at fair value at the date of acquisition. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is computed using the straight-line method over the shorter of the remaining lease term or the estimated useful lives of the improvements. Maintenance and repairs are charged to expense as incurred. Expenditures that increase the value or productive capacity of assets are capitalized. When property and equipment are retired, sold, or otherwise disposed of, the asset's carrying amount and related depreciation are removed from the accounts and any gain or loss is included in operations. Pacifica capitalizes all property and equipment acquisitions in excess of \$2,000.

Property and Equipment (continued)

The useful estimated lives of computer software, property and equipment are principally as follows:

Office and computer equipment	5 years
Leasehold improvements	10 years
Furniture and fixtures	10 years
Transmitter, technical and antenna equipment	10-20 years
Buildings	30 years

Intangible Assets

The Foundation owns the broadcasting licenses of all five stations of which four licenses were acquired at no cost. The cost of the fifth license (WPFW) was amortized on a straight-line method over 20 years from the date of acquisition (1977). That license was fully amortized as of September 30, 1997.

Compensated Absences

The Foundation accrues a liability for vested vacations to which employees are entitled depending on the

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

2. Summary of Significant Accounting Policies (continued)

Compensated Absences (continued)

length of service and other factors. The accompanying statements include accrued vacation benefits of \$327,916 as of September 30, 2010.

Income Recognition from Community Events

Funds received in advance from community events are shown as deferred income when received. These amounts are recorded as income when the funds are disbursed upon the completion of the community event in order to more closely match revenue with the related expenditure.

Investments

The Organization's securities investments that are bought and held principally for the purpose of selling them in the near term are classified as trading securities. Trading securities are recorded at fair value on the balance sheet in current assets, with the change in fair value during the year reported on the statement of activities as realized and unrealized gains of \$520 (see note 6).

Fair Value of Financial Instruments – On October 1, 2008, the Foundation adopted Accounting Standards Codification 820, *Fair Value Measurements*. This Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. This Statement applies under other accounting pronouncements that require or permit fair value measurements.

On October 1, 2008, the Foundation adopted Accounting Standards Codification 825, *The Fair Value Option for Financial Assets and Financial Liabilities* – Including an Amendment of Accounting Standards Codification 320. A provision of Codification 825 permits an entity to measure financial instruments and certain other items at estimated fair value. Most of the provisions of Codification 825 are elective; however, the amendment to Accounting Standards Codification 320, *Accounting for Certain Investments in Debt and Equity Securities*, applies to all entities that own trading and available-for-sale securities. The fair value option created by Accounting Standards Codification 825 permits an entity to measure eligible items at fair value as of specified election dates. The fair value option (a) may generally be applied instrument by instrument, (b) is irrevocable unless a new election date occurs, and (c) must be applied to the entire instrument and not only to a portion of the instrument. The adoption of Accounting Standards Codification 825 did not have a significant impact on the Foundation's results of operations and financial condition.

The Foundation's financial instruments consist principally of cash and cash equivalents, prepaid expenses, notes receivables, investments, other assets, accounts payable, and accrued expenses. The Foundation believes all of the financial instruments' recorded values approximate fair value.

Recent Accounting Pronouncements - In August 2008, FASB issued Accounting Standards Codification 958, *Endowments for Not-for-Profit Foundation: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act and Enhanced Disclosures for All Endowment Funds*. Accounting Standards Codification 958 responds to accounting questions raised by the Uniform Prudent Management of Institutional Funds Act (UPMIFA) that was approved by the Uniform Law Commission to modernize the Uniform Management of Institutional Funds Act of 1972 (UMIFA) for governing the investment and management of donor-restricted endowment funds by not-for-profit

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

2. Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements (continued)

foundations. Effective September 30, 2008, the State of California enacted UPMIFA. Among UPMIFA's more significant changes is the elimination of UMIFA's concept of historic dollar threshold, the amount below which a Foundation could not spend from the fund, in favor of a more robust set of guidelines about what constitutes prudent spending.

The provisions of Accounting Standards Codification 958 expand disclosures about a Foundation's endowment funds (both donor-restricted and board-designated). In addition, Accounting Standards Codification 958 requires that the portion of a donor-restricted endowment fund that is not classified as permanently restricted net asset be classified as temporarily restricted net assets until appropriated for expenditure. The Foundation adopted the provisions under Accounting Standards Codification 958 as of October 1, 2008.

3. Line of Credit

The Foundation has a secured line of credit agreement with Wells Fargo Bank that expires on August 1, 2011. The line of allows for total borrowings of up to \$100,000 at a per annum rate of 1.0% above prime rate. There was a balance of \$100,000 outstanding as of September 30, 2010. The line of credit is secured by a certificate of deposit held by the same bank. Interest on this line of credit during the year ended September 30, 2010 amounted to \$4,380.

4. Restricted Cash

Restricted cash primarily represents funds in the form of a certificate of deposit securing the Foundation's line of credit with the bank and funds required to be held in a separate bank account because of donor restrictions. As of September 30, 2010, the restricted cash consisted of:

	<u>2010</u>
Loan collateral - KPFA	\$ 100,000
Wells Fargo Bank ACH - KPFA	50,000
NTIA - KPFT	13,671
Building Fund - WPFW	203,484
Heath Fund - National Office	65,723
Total	<u>\$ 432,878</u>

5. Property and Equipment

	<u>2010</u>
Land	\$ 632,428
Building and improvements	3,178,611
Leasehold improvements	733,673
Fixtures and furniture	247,578
Equipment	8,443,297
Total	<u>13,235,587</u>
Less: accumulated depreciation	<u>(10,344,424)</u>
Total	<u>\$2,891,163</u>

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

5. Property and Equipment (continued)

Depreciation and amortization of property and equipment amounted to \$313,634 for the year ended September 30, 2010.

Included in the property and equipment held at September 30, 2010 is certain technical equipment acquired with the assistance of government grants. In accordance with the regulations of these grants, the Federal Government (NTIA) retains interest in these assets for a period of 10 years following the completion of the grant.

At September 30, 2010 the following assets were subject to the federal ten-year periods:

	<u>Historical Costs</u>	<u>End of 10- year Period</u>
KPFA	\$ 73,326	2013
KPFT	19,100	2016
KPFK	159,810	2012
WBAI	38,966	2010
WPFW	125,500	2012
Total	<u>\$ 416,702</u>	

6. Investments

	2010	
	<u>Acquisition Cost</u>	<u>Fair market Value</u>
Mutual Funds	\$ 13,956	\$ 11,509
US Treasuries Money Fund	188,881	188,881
Equities	138,617	122,956
Total - Program Endowment	327,498	311,837
Total Investment	<u>\$ 341,454</u>	<u>\$ 323,346</u>

Investment income for the year ended September 30, 2010 was comprised of the following:

	<u>2010</u>
Interest and dividends	\$ 34,928
Realized and unrealized gain (losses)	520
Net investment income	<u>\$ 35,448</u>

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

7. Temporarily Restricted Net Assets

Temporarily restricted net assets were available as follows on September 30:

	<u>Totals</u>	<u>KPFA</u>	<u>KPFT</u>	<u>WBAI</u>	<u>WPFW</u>	<u>PRA</u>
Public awareness on the environment	\$ 16,618	\$ 16,618				
Website for special programs podcasting	1,500	1,500				
Technical equipment acquisition	13,671		13,671			
Building fund	280,800			80,800	200,000	
NEA	193					193
	<u>\$312,782</u>	<u>\$ 18,118</u>	<u>\$ 13,671</u>	<u>\$ 80,800</u>	<u>\$200,000</u>	<u>\$ 193</u>

Temporarily restricted net assets that were released from donor restriction by incurring expenses satisfying the purposes specified by donors are noted as follows for the years ended September 30:

	<u>Totals</u>
Grant for environmental justice - KPFA	\$ 10,396
Public awareness on the environment - KPFA	41,043
Website for special programs podcasting - KPFA	1,500
CPB grant - KPFA	78,919
CPB grant - KPFK	92,207
Technical equipment acquisition - KPFT	9,329
CPB grant - KPFT	41,168
CPB grant - WBAI	84,067
Fund restrictions released by donor - WPFW	31,311
CPB grant - WPFW	74,216
Radio archives project - PRA	31,494
	<u>\$ 495,650</u>

8. Permanently Restricted Net Assets

These funds are investments in perpetuity, the income from which is expendable for operations. Such endowments at September 30, 2010 are follows:

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

8. Permanently Restricted Net Assets (continued)

	Totals	KPFA	KPFK	NO
KPFA - Heath Trust endowment fund	\$ 375,000	\$ 375,000		
KPFA - Other endowment fund	150,000	150,000		
KPFK - Other endowment fund	20,000		20,000	
National Office - Other endowment fund	196,055			196,055
National Office - Heath Trust endowment fund	375,000			375,000
	<u>\$1,116,055</u>	<u>\$ 525,000</u>	<u>\$ 20,000</u>	<u>\$ 571,055</u>

The Foundation's endowment consists of five funds established for a variety of purposes and includes donor-restricted funds. Net assets associated with this endowment are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted net assets that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, The Foundation considers the following factors in making a determination to appropriate or accumulated donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflations
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or Board of Directors requires the Foundation to retain as a fund of perpetual duration. The Foundation has deficiencies of this nature as of September 30, 2010.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to preserve the purchasing power of the Endowment Fund and at the same time provide a regular distribution of funds for use of the Foundation, consistent with the terms of the Endowment Fund

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

8. Permanently Restricted Net Assets (continued)

Return Objectives and Risk Parameters (continued)

Distribution Policy and the terms governing each of the individual endowment funds. A balanced approach is to be taken between risk, preservation of capital, income and growth.

Strategies Employed for Achieving Objectives

To satisfy its investment policy objectives, The Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) through equity-based investments and current yield (interest and dividends) through fixed income investments. The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has adopted a policy of appropriating for distribution each year an amount of five percent of its investment portfolio's average asset based on a trailing eighteen month average of accumulated contributions and earnings within the fund. The Board of Directors may request all, a portion, or none of the appropriation be distributed in accordance with the endowment fund's purpose as defined by the endowment agreement or applicable board resolution. Any portion of the distribution not appropriated by the Board shall be kept in the endowment fund, be governed by the endowment investment policy, and be available for future distribution in accordance with the distribution policy.

9. Concentration of Risk

The Foundation maintains its bank accounts at six financial institutions. Accounts at each of these institutions are insured by the FDIC up to the legal limit at each institution. In addition to the FDIC's basic Insurance coverage each of these institutions are participating in the FDIC's Transaction Account Guarantee Program (TAGP). Amounts in excess of the insured limits totaled \$61,484 on September 30, 2010.

10. Lease Commitments

The Foundation is obligated under several operating leases for office space, studio and radio tower equipment. The leases expire through September 30, 2020. Future minimum lease payments under these lease agreements as of September 30, 2010 are as follows:

	<u>TOTAL</u>
9/30/2011	\$ 862,491
9/30/2012	824,836
9/30/2013	495,440
9/30/2014	449,924
9/30/2015	435,370
Thereafter	<u>2,660,584</u>
Total	<u>\$5,728,645</u>

Rent expense under these lease agreements for the fiscal year ended September 30, 2010 amounted to approximately \$1,104,159.

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

11. Pension Plan

Pacifica Foundation has a defined contribution retirement plan ("the Plan") as established under the Internal Revenue Code Section 403(b). Anyone employed by the Foundation on September 30th is eligible for participation in the Plan. For each Plan year, the Board of Directors determines the amount to be contributed to the Plan. Total contributions made by the Foundation to the Plan amounted to \$175,850.

12. Charitable Remainder Trust

In December 1990, Pacifica was named principal beneficiary of the Lutz Charitable Remainder Trust. The terms of the trust calls for a monthly percentage of principal payments to named income beneficiaries. Required monthly payments are to be paid first out of trust income, then out of trust principal, with any excess trust income added to principal. Annual trust administrative costs are to be paid out of trust assets. Upon expiration of the trust term of twenty years, or if earlier upon the death of the last income beneficiary, trust's assets revert to Pacifica Foundation. The market value of assets at September 30, 2010 was \$119,778.

13. Pending Legal Matters

Commitments and Contingencies

The Foundation is a defendant in several lawsuits. Management believes these suits are without merit and intends to vigorously defend its position. Although it is reasonably possible, management believes it is unlikely that the resolutions, claims and pending litigation will have a material effect, individually or in the aggregate, to the financial position, results of operations and cash flows. Legal counsel has advised management that a range of loss, if any, cannot be reasonably estimated at this time. Accordingly, no provision for possible loss has been made in these financial statements.

Communications Attorneys

The Foundation's communications attorneys have advised management that they are not aware of any pending or threatened litigations, claims, or assessments.

14. Income Taxes

The Foundation is exempt from federal and state taxes by a group exemption under 501 (c) (3) of the Internal Revenue Code and section 23701 (d) of the California Revenue and Taxation Code, and is considered by the Internal Revenue Service to be a Foundation other than a private foundation. As of July, 2007 the Foundation adopted the Financial Standards Codification 740, *Accounting for Uncertainty in Income Taxes*. The standard addresses the accounting for uncertainties in income taxes recognized in an entity's financial statements and prescribes a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in the tax returns. Financial Standards Codification 740 also provides related guidance on measurement, classification, interest and penalties, and disclosure. There was no material impact to the Foundation's financial statements as a result of the adoption of Financial Standards Codification 740.

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

15. Grant Revenue

Grant Revenue was recognized from the following sources:

	Total	Corporation for Public Broadcasting	Charitable Foundation NEA and Other
KPFA	\$ 341,655	\$ 339,155	\$ 2,500
KPFB	384,298	384,298	
KPFT	172,390	172,390	
WBAI	373,507	355,307	18,200
WPFW	341,165	305,515	35,650
National	78,849		78,849
Total Grants	\$ 1,691,864	\$ 1,556,665	\$ 135,199

16. SCA Income

Pacifica Foundation entered into sub-carrier agreements (SCA) in March 1984, whereby outside companies would be allowed to use a portion of certain Pacifica stations' base bands in order to broadcast signals to the outside companies' subscribers. The initial terms of the agreements were five years from start of operations at each respective station. Subsequent to the initial agreements, some of the leases have expired and some have renewed. Additional agreements have been entered into during the year ended September 30, 2010 resulting in total annual SCA revenue of approximately \$229,600.

Income from the leases is recorded in total at the National Office and allocated to the various stations for special projects as needed and approved by the board.

In 1984, Pacifica Foundation had retained legal counsel to investigate the possibility that the above income is unrelated and thereby taxable, and a determination request was submitted to the IRS. The response from the IRS indicated that the income is not taxable and that Pacifica's not-for-profit status will not be affected.

17. Central Services

Central services consist of operating expenses provided by the National Office for the various stations. Typically, they consist of such expenses as administrative, legal and accounting services, insurance, programming, distribution and subscription services paid by the National Office.

18. Subsequent Events

The Foundation has evaluated all subsequent events through March 26, 2011, the date of this report, and determined there are no material recognized or unrecognized subsequent events.

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2010

19. Prior Period Adjustments

\$168,689 in accounts payable – WPFW was overstated and \$(102,975) in accrued premiums expense was understated for all divisions in addition to \$26,700 in accounting errors resulting in a net increase (decrease) to net beginning assets of \$92,414 as follows:

KPFA	\$ (10,688)
KPFK	(58,150)
KPFT	(7,892)
WBAI	(4,690)
WPFW	167,152
National Division	<u>6,682</u>
Total	<u>\$ 92,414</u>

These prior period adjustments have no effect on current year activities.

20. Ability to Continue as a Going Concern

For the past three years the Foundation has sustained losses of \$433,161, \$2,701,432, and \$1,974,849 for the years ended September 30, 2008, 2009, and 2010 totaling \$5,109,442. Also during this three year period working capital has decreased from \$2,835,309 at September 30, 2007 to a deficit of \$(810,528) at September 30, 2010. These conditions and events have given rise to a substantial doubt about the Foundation's ability to meet its obligations as they become due without substantial disposition of assets outside the ordinary course of operations, or restructuring of debt, or externally forced revisions of its operations or similar actions. Although management has taken recent action to increase revenues and reduce expenses, as of the date of this report there is not a Board approved and implemented financial plan in place in order to restore adequate working capital within the current year. Accordingly, substantial doubt remains as to the ability of the Foundation to continue as a going concern as of the date of this report.

**PACIFICA FOUNDATION
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

PACIFICA FOUNDATION
Statement of Financial Position by Division
At September 30, 2010

Assets	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
Current assets:								
Cash and cash equivalents	\$ 410,431		\$ 100,344	\$ 160,116	\$ 98,252	\$ 3,036	\$ 3,650	\$ 45,033
Investments (note 6)	11,509			11,509				
Pledges receivable (net)	886,207		340,406	340,946	106,509	77,093		
Other receivables	215,451		163,553	4,450			21,253	
Premium inventory	146,485		9,387	67,612	17,561	19,239	32,686	36,448
Inter-division receivable		(2,823,354)						
Prepaid expenses	87,922		23,837	16,259	3,956			2,823,354
Total current assets	<u>1,758,005</u>	<u>(2,823,354)</u>	<u>637,527</u>	<u>600,892</u>	<u>226,278</u>	<u>99,533</u>	<u>96,612</u>	<u>15,682</u>
								<u>2,920,517</u>
Non-current assets:								
Property and equipment, net	2,891,163		1,701,838	666,302	336,218	36,521	19,176	131,108
Inter-division receivable	0	(1,400,610)	1,400,610					
Intangible and other assets	57,050							
Bequests receivable	382,670		375,000			42,701	14,349	
Restricted cash (note 4)	432,878		150,000					7,670
Program endowment investment (note 6)	311,837		21,539	2,360	13,671	0	203,484	65,723
Total non-current assets	<u>4,075,598</u>	<u>(1,400,610)</u>	<u>3,648,987</u>	<u>668,662</u>	<u>349,889</u>	<u>1,089</u>	<u>3,048</u>	<u>283,801</u>
								<u>488,302</u>
Total assets	<u>\$ 5,833,603</u>	<u>\$ (4,223,964)</u>	<u>\$ 4,286,514</u>	<u>\$ 1,269,554</u>	<u>\$ 576,167</u>	<u>\$ 179,844</u>	<u>\$ 336,669</u>	<u>\$ 3,408,819</u>

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Financial Position by Division (continued)
At September 30, 2010

	<u>Totals</u>	<u>Eliminations</u>	<u>KPFA</u>	<u>KPKK</u>	<u>KPFT</u>	<u>WBAI</u>	<u>WPFW</u>	<u>National Division</u>
Liabilities								
Current liabilities:								
Accounts payable	\$ 1,709,524		\$ 97,989	\$ 1,317	\$ 6,514	\$ 284,685	\$ 210,299	\$ 1,108,720
Advances under line of credit	100,000							100,000
Inter-division payables		(2,823,354)	507,060	195,851	118,239	1,661,587	340,617	
Accrued expenses and benefits	759,009		222,913	156,284	36,521	145,157	109,970	88,164
Total current liabilities	<u>2,568,533</u>	<u>(2,823,354)</u>	<u>827,962</u>	<u>353,452</u>	<u>161,274</u>	<u>2,091,429</u>	<u>660,886</u>	<u>1,296,884</u>
Non-current liabilities:								
Inter-division payables	-	(1,400,610)			300,657	20,362	279,450	800,141
Deferred rent liability (office, studio & tower)	661,723				6,873	654,850		
Total non-current liabilities	<u>661,723</u>	<u>(1,400,610)</u>	<u>0</u>		<u>307,530</u>	<u>675,212</u>	<u>279,450</u>	<u>800,141</u>
Total liabilities	<u>3,230,256</u>	<u>(4,223,964)</u>	<u>827,962</u>	<u>353,452</u>	<u>468,804</u>	<u>2,766,641</u>	<u>940,336</u>	<u>2,097,025</u>
Net assets:								
Unrestricted	1,174,510		2,915,434	896,102	93,692	(2,667,597)	(803,667)	740,546
Temporarily restricted (note 7)	312,782		18,118		13,671	80,800	200,000	193
Permanently restricted (note 8)	1,116,055		525,000	20,000				571,055
Total net assets	<u>2,603,347</u>		<u>3,458,552</u>	<u>916,102</u>	<u>107,363</u>	<u>(2,586,797)</u>	<u>(803,667)</u>	<u>1,311,794</u>
Total liabilities and net assets	<u>\$ 5,833,603</u>	<u>\$ (4,223,964)</u>	<u>\$ 4,286,514</u>	<u>\$ 1,269,554</u>	<u>\$ 576,167</u>	<u>\$ 179,844</u>	<u>\$ 336,669</u>	<u>\$ 3,408,819</u>

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Activities by Division
For the Year Ended September 30, 2010

	<u>Totals</u>	<u>Eliminations</u>	<u>KPFA</u>	<u>KPFK</u>	<u>KPFT</u>	<u>WBAI</u>	<u>WPFW</u>	<u>National Division</u>
Unrestricted revenue and support:								
Listener support / donations	\$ 10,585,979		\$ 2,931,954	\$ 2,651,644	\$ 988,420	\$ 2,406,373	\$ 1,187,774	\$ 419,814
Grants	1,129,598		242,736	292,091	131,222	289,440	98,260	75,849
Community events	503,624		204,843	49,585	45,762	179,369	7,609	16,456
Sub-channel income (note 16)	229,600							229,600
Other revenue	353,908		28,109	495	1,014			302,966
Investment income	35,448		29,157	2,089	164		21,324	2,864
Central services	0	(1,869,027)					1,174	
Net assets released from restrictions	495,650		131,858	92,207	50,497	84,067	105,527	1,869,027
Total unrestricted revenue & support	13,333,807	(1,869,027)	3,568,657	3,088,111	1,217,079	2,959,249	1,421,668	2,948,070
Expenses:								
Program services	7,801,762		2,151,312	1,458,076	419,113	2,002,197	647,399	1,123,665
Management and general	4,123,959		579,602	450,682	350,025	600,845	527,145	1,615,660
Fundraising and development	3,449,551		919,754	820,899	339,901	697,239	485,551	186,207
Central services	0	(1,869,027)	504,925	511,547	180,175	441,914	230,466	
Total expenses	15,375,272	(1,869,027)	4,155,593	3,241,204	1,289,214	3,742,195	1,890,561	2,925,532
Increase (decrease) in unrestricted net assets	(2,041,465)		(586,936)	(153,093)	(72,135)	(782,946)	(468,893)	22,538
Temporarily restricted net assets:								
Grant income	562,266		98,919	92,207	41,168	84,067	242,905	3,000
Net assets released from restrictions	(495,650)		(131,858)	(92,207)	(50,497)	(84,067)	(105,527)	(31,494)
Increase (decrease) in temporarily restricted net assets	66,616		(32,939)	0	(9,329)	0	137,378	(28,494)
Increase (decrease) in permanently restricted net assets	0							
Net assets, beginning of year	4,578,196		4,078,427	1,069,195	188,827	(1,803,851)	(272,152)	1,317,750
Net assets, end of year	\$ 2,603,347		\$ 3,458,552	\$ 916,102	\$ 107,363	\$ (2,586,797)	\$ (603,667)	\$ 1,311,794

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Functional Expenses by Division
For the Year Ended September 30, 2010

Expenses:	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
Personnel costs	\$ 7,396,483		\$ 2,277,350	\$ 1,493,113	\$ 528,975	\$ 1,321,378	\$ 673,643	\$ 1,102,024
Advertising and promotion	37,448		14,387	1,280	4,330	12,329	3,390	1,732
Associations and periodicals	25,201		15,383	381	8,017	-	306	1,114
Audit fees	150,606		-	-	-	-	-	150,606
Bank charges and finance charges	257,483		50,129	58,662	43,461	53,221	35,780	16,230
Board meetings and elections	387,023		40,431	45,956	22,548	76,183	26,500	175,405
Communications expense	495,553		102,041	93,169	44,637	88,903	51,687	115,116
Community events	305,184		107,697	52,079	30,323	79,301	16,809	18,975
Computer maintenance	153,648		39,907	45,486	3,083	12,910	13,549	38,713
Consultants	352,086		45,740	-	25,573	82,501	82,521	115,751
Depreciation and amortization	313,634		115,477	108,004	20,668	13,461	14,428	41,596
Direct mail and telemarketing	341,030		113,523	56,447	79,838	33,938	44,792	12,492
Equipment rental	79,703		118	30,774	9,862	17,536	9,189	12,224
Insurance	209,118		10,855	11,494	-	-	-	186,769
Interest	20,654		71	5,220	-	10,047	-	5,316
Legal fees	245,067		126,914	12,890	2,717	54,602	-	47,944
Legal settlement fees	83,366		3,366	-	-	-	80,000	-
Miscellaneous	15,438		2,951	3,219	811	237	6,257	1,963
Rent-office/studio	513,884		-	-	-	325,198	188,686	-
Rent-tower	590,275		1,440	5,779	53,155	495,427	34,474	-
Office expenses	46,416		4,528	5,715	8,816	3,246	8,241	15,870
Outside services	65,851		-	-	5,260	37,103	-	23,488
Permits, fines and filing fees	5,070		1,104	-	-	-	-	3,966
Premiums and shipping (for donations)	1,075,762		268,508	326,783	42,040	270,602	146,974	20,855
Programming costs	1,370,901		167,403	162,156	109,981	166,047	88,015	677,299
Repairs and maintenance	230,525		49,473	97,804	16,327	24,956	36,022	5,943
Storage	24,258		-	871	-	-	6,032	17,355
Tapes and supplies	101,229		-	4,251	1,965	6,872	1,017	87,124
Taxes - property tax	43,307		13,854	-	29,453	-	-	-
Training expense	25,646		3,120	330	6,416	4,132	600	11,048
Travel	33,970		4,235	2,601	689	10,453	912	15,080
Utilities	379,453		70,663	105,193	10,094	99,698	90,271	3,534
Total expenses	\$ 15,375,272	\$ -	\$ 3,650,668	\$ 2,729,657	\$ 1,109,039	\$ 3,300,281	\$ 1,660,095	\$ 2,925,532

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Functional Expenses by Division - Program Services
For the Year Ended September 30, 2010

Expenses:	<u>Totals</u>	<u>Eliminations</u>	<u>KPFA</u>	<u>KPFC</u>	<u>KPFT</u>	<u>WBAI</u>	<u>WPFW</u>	<u>National Division</u>
Personnel costs	\$ 4,323,244		\$ 1,696,118	\$ 950,953	\$ 172,138	\$ 940,845	\$ 265,325	\$ 297,865
Advertising and promotion	0							
Associations and periodicals	4,627		506	381	3,600			140
Audit fees	0							
Bank charges and finance charges	0							
Board meetings and elections	0							
Communications expense	327,304		68,863	59,590	28,225	62,770	20,018	87,838
Community events	2,352			2,352				
Computer maintenance	74,440		23,146	29,206				
Consultants	106,045		8,400		2,325	9,273	5,250	5,240
Depreciation and amortization	197,906		84,968	77,168	13,550	17,886	40,671	25,538
Direct mail and telemarketing	21,245		19,303	1,942	13,271	9,669	5,591	7,239
Equipment rental	1,241			1,241				
Insurance	0							
Interest	10,047							
Legal fees	0					10,047		
Legal settlement fees	0							
Miscellaneous	457			368	89			
Rent-office/studio	298,053							
Rent-tower	589,775		1,440	5,779	52,655	188,615	109,438	
Office expenses	529		331		19	495,427	34,474	
Outside services	5,260				5,260		179	
Permits, fines and filing fees	0							
Premiums and shipping (for donations)	264		264					
Programming costs	1,370,901		167,403	162,156	109,981	166,047	88,015	677,299
Repairs and maintenance	111,546		10,852	69,814	7,883	9,892	12,550	555
Storage	871			871				
Tapes and supplies	21,976			1,693	1,965	2,685	1,017	14,616
Taxes - property tax	0							
Training expense	10,998		2,356	330	1,510			
Travel	7,015		3,945	2,464	161			6,802
Utilities	315,666		63,417	91,768	6,481	89,041	331	114
Total expenses	\$ 7,801,762		\$ 2,151,312	\$ 1,458,076	\$ 419,113	\$ 2,002,197	\$ 647,399	\$ 1,123,665

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Functional Expenses by Division - Management & General
For the Year Ended September 30, 2010

Expenses:	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
Personnel costs	\$ 1,891,481		\$ 221,338	\$ 272,256	\$ 206,583	\$ 246,083	\$ 225,594	\$ 719,627
Advertising and promotion	4,403			1,280	623	2,500		
Associations and periodicals	19,518		14,178		4,417			
Audit fees	150,606						306	617
Bank charges and finance charges	78,541		14,554	6,502	34,474	9,564		150,606
Board meetings and elections	387,023		40,431	45,956	22,548	76,183	9,727	3,720
Communications expense	116,083		29,314	17,225	7,557	17,298	26,500	175,405
Community events	100			100			17,411	27,278
Computer maintenance	49,826		4,446	8,093				
Consultants	225,856		37,165		203	2,332	4,559	30,193
Depreciation and amortization	66,065		12,864	11,395	3,677	50,572	41,850	90,213
Direct mail and telemarketing	412		295			2,431	4,855	30,843
Equipment rental	61,164		118	12,543	9,862	17,228		
Insurance	209,118		10,855	11,494			9,189	12,224
Interest	10,607		71	5,220				186,769
Legal fees	244,564		126,411	12,890	2,717	54,602		5,316
Legal settlement fees	83,366		3,366					47,944
Miscellaneous	14,887		2,951	2,757			80,000	
Rent-office/studio	133,609				722			
Rent-tower	500					237		1,963
Office expenses	44,735		4,146	5,715	500	84,551	49,058	
Outside services	23,488				7,716	3,226	8,062	15,870
Permits, fines and filing fees	5,070		1,104					23,488
Premiums and shipping (for donations)	0							3,966
Programming costs	0							
Repairs and maintenance	111,370		38,186	27,990	8,444	8,934	22,428	5,388
Storage	20,951						6,032	14,919
Tapes and supplies	53,916			2,456		4,176		47,284
Taxes - property tax	43,307		13,854		29,453			
Training expense	11,787		764		2,149	4,028	600	4,246
Travel	26,299		136	137	528	9,951	581	14,966
Utilities	35,307		3,055	6,673	1,796	6,832	14,136	2,815
Total expenses	<u>\$ 4,123,959</u>	<u>\$ -</u>	<u>\$ 579,602</u>	<u>\$ 450,682</u>	<u>\$ 350,025</u>	<u>\$ 600,845</u>	<u>\$ 527,145</u>	<u>\$ 1,616,660</u>

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Functional Expenses by Division - Fundraising
For the Year Ended September 30, 2010

Expenses:	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
Personnel costs	\$ 1,181,758		\$ 359,894	\$ 269,904	\$ 150,254	\$ 134,450	\$ 182,724	\$ 84,532
Advertising and promotion	33,045		14,387		3,707	9,829	3,390	1,732
Associations and periodicals	1,056		699					357
Audit fees	0							
Bank charges and finance charges	178,942							
Board meetings and elections	0		35,575	52,160	8,987	43,657	26,053	12,510
Communications expense	52,166							
Community events	302,732		3,864	16,354	8,855	8,835	14,258	
Computer maintenance	29,382		107,697	49,627	30,323	79,301	16,809	18,975
Consultants	20,185		12,315	8,187	555	1,305	3,740	3,280
Depreciation and amortization	49,663		175		5,967	14,043		
Direct mail and telemarketing	319,373		17,645	19,441	3,720	1,361	3,982	3,514
Equipment rental	17,298		93,925	54,505	79,838	33,821	44,792	12,492
Insurance	0			16,990		308		
Interest	0							
Legal fees	0							
Legal settlement fees	503		503					
Miscellaneous	94							
Rent-office/studio	82,222			94				
Rent-tower	0					52,032	30,190	
Office expenses	1,152							
Outside services	37,103		51		1,081	20		
Permits, fines and filing fees	0					37,103		
Premiums and shipping (for donations)	1,075,498		268,244	326,783	42,040	270,602	146,974	20,855
Programming costs	0							
Repairs and maintenance	7,609		435					
Storage	2,436					6,130	1,044	
Tapes and supplies	25,337							2,436
Taxes - property tax	0			102		11		25,224
Training expense	2,861							
Travel	656				2,757	104		
Utilities	28,480		154			502		
Total expenses	<u>\$ 3,449,551</u>	<u>\$ -</u>	<u>\$ 919,754</u>	<u>\$ 820,899</u>	<u>\$ 339,901</u>	<u>\$ 697,239</u>	<u>\$ 485,551</u>	<u>\$ 186,207</u>

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Other Revenue by Division
For the Year Ended September 30, 2010

	Totals	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
Other revenue:							
Tape sales (recorded programs)	\$ 50,837						\$ 50,837
Rental of mailing lists	2,871						2,871
Affiliates income	249,258						249,258
Miscellaneous	50,942	28,109	495	1,014		21,324	
Total	<u>\$ 353,908</u>	<u>\$ 28,109</u>	<u>\$ 495</u>	<u>\$ 1,014</u>	<u>\$ -</u>	<u>\$ 21,324</u>	<u>\$ 302,966</u>
Investment income:							
Interest and dividends	\$ 34,928	\$ 29,400	\$ 1,112	\$ 164			
Realized/unrealized gains (losses)	520	(243)	977			\$ 1,174	\$ 3,078
Total	<u>\$ 35,448</u>	<u>\$ 29,157</u>	<u>\$ 2,089</u>	<u>\$ 164</u>		<u>\$ 1,174</u>	<u>\$ 2,864</u>
Included in Listener Support							
Website income	\$ 129,452	\$ 91,031		\$ 10	\$ 38,411		
Total	<u>\$ 129,452</u>	<u>\$ 91,031</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 38,411</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements