

**PACIFICA FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
SEPTEMBER 30, 2006**

**PACIFICA FOUNDATION
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Pacifica Foundation
Berkeley, California

We have audited the accompanying statement of financial position of the Pacifica Foundation (a nonprofit organization) at September 30, 2006, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Pacifica Foundation at September 30, 2006 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Statements of Financial Position, Activities, Other Revenue and Functional Expenses (By Division) on pages 16 through 24 are not a required part of the basic financial statements of Pacifica Foundation but are supplementary information presented for purposes of additional analysis. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.



Ross Wisdom CPA, PLLC
Certified Public Accountant

New York, NY
January 19, 2007

PACIFICA FOUNDATION
Statement of Financial Position
At September 30, 2006

ASSETS

CURRENT ASSETS

Cash (note 1)	\$ 2,313,437
Investments (note 2)	12,477
Pledges and other receivables (note 3)	768,965
Donor bequests receivable	343,772
Grants receivable	69,250
Prepaid expenses	256,398
Inventory	120,694
TOTAL CURRENT ASSETS	<u>3,884,993</u>

PROPERTY AND EQUIPMENT

Equipment (note 4)	7,837,536
Furniture and fixtures	327,914
Leasehold improvements	733,673
Building and improvements	3,007,502
Land	632,428
	<u>12,539,053</u>
Less: Accumulated depreciation	(9,108,373)
NET PROPERTY AND EQUIPMENT	<u>3,430,680</u>

OTHER ASSETS

Other assets including deposits	55,802
Program endowment (note 5)	503,588
Bequest endowment receivable	700,000
TOTAL OTHER ASSETS	<u>1,259,390</u>

TOTAL ASSETS	<u><u>\$ 8,575,063</u></u>
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The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Financial Position (continued)
At September 30, 2006

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 1,050,513
TOTAL CURRENT LIABILITIES	<u>1,050,513</u>

NET ASSETS

Unrestricted	6,353,337
Temporarily restricted (note 6)	105,158
Permanently restricted (note 5)	1,066,055
TOTAL NET ASSETS	<u>7,524,550</u>

TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 8,575,063</u></u>
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PACIFICA FOUNDATION
Statement of Activities
For the Year Ended September 30, 2006

	TEMPORARILY PERMANENTLY			TOTAL
	UNRESTRICTED	RESTRICTED	RESTRICTED	
UNRESTRICTED REVENUE & SUPPORT				
Listener support / Donations (note 7)	\$ 13,774,034			\$ 13,774,034
Grants (note 8)	1,391,443	780,437		2,171,880
Community events	440,602			440,602
Restricted contributions-Katrina		56,256		56,256
Restricted donor bequest			700,000	700,000
SCA income (note 9)	228,000			228,000
Other revenue	587,140			587,140
Investment income	57,636			57,636
Net assets released from restrictions	771,921	(771,921)		0
TOTAL UNRESTRICTED REVENUE	<u>17,250,776</u>	<u>64,772</u>	<u>700,000</u>	<u>18,015,548</u>
EXPENSES				
Program services	7,768,087			7,768,087
Management & general	4,588,906			4,588,906
Fundraising	3,766,346			3,766,346
Community events	229,677			229,677
TOTAL EXPENSES	<u>16,353,016</u>	<u>0</u>	<u>0</u>	<u>16,353,016</u>
CHANGE IN NET ASSETS	<u>897,760</u>	<u>64,772</u>	<u>700,000</u>	<u>1,662,532</u>
NET ASSETS-BEGINNING OF YEAR	5,455,577	40,386	366,055	5,862,018
NET ASSETS-END OF YEAR	<u><u>\$ 6,353,337</u></u>	<u><u>\$ 105,158</u></u>	<u><u>\$ 1,066,055</u></u>	<u><u>\$ 7,524,550</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, 2006

	Program Services	Management & General	Fundraising	Total Functional Expenses
Salaries	\$ 3,494,066	\$ 1,660,554	\$ 931,433	\$ 6,086,053
Payroll taxes	326,532	143,470	87,790	557,792
Employee benefits	754,497	320,650	176,722	1,251,869
Outside services	65,173	198,056	6,865	270,094
Payroll service		7,223		7,223
Advertising & promotion		1,000	11,896	12,896
Associations & periodicals	6,197	16,613	9,454	32,264
Audit and accounting fees		59,400		59,400
Bad debt expenses		20,000		20,000
Bank charges		36,221		36,221
Board election expenses		47,578		47,578
Brokers fee		4,043		4,043
CAC Training expenses	3,596			3,596
Computer maintenance	46,756	165,122	14,018	225,896
Conferences & training	5,334	31,774	6,092	43,200
Consulting fees		3,760		3,760
Credit card fees			293,812	293,812
Democracy now	542,940			542,940
Depreciation & amortization	226,352	141,226		367,578
Development expenses			42,065	42,065
Direct mail/ telemarketing/Sub. serv.	6,125		702,225	708,350
Equipment rental	15,586	99,456	2,169	117,211
Fines and penalty		4,000		4,000
Folio expenses			12,228	12,228
Insurance		243,378		243,378
Interest		14,388		14,388
Katrina Relief Coverage	12,449			12,449
Katrina Relief Agencies	37,743			37,743
Legal and professional fees	47,391	329,106	713	377,210
Major gifts expense			8,503	8,503
Misc.	3,823	29,101	832	33,756
Moving expenses		10,435		10,435
National board expenses		275,124		275,124
National Prog.-Free Speech Radio	520,882			520,882
News service	154,614			154,614
NFCB Tradeshows & conventions	25,122			25,122
Non-operating grant expenses	3,947			3,947
Office expenses	6,270	92,258	2,337	100,865
Postage & shipping	4,854	59,778	3,517	68,149
Premiums/shipping & marathons			1,193,987	1,193,987
Presidential election/comm. hearings	2,339			2,339
Printing & publications	506	22,961	91,957	115,424
Programming services & expenses	62,197			62,197
Rent - Office/Studio	230,329	70,851	69,495	370,675
Rent - Tower	435,241			435,241
Repairs & maintenance	126,272	137,138	5,317	268,727
Satellite interconnect	25,800			25,800
Settlement cost		131,000		131,000
State filing fees		5,484		5,484
Storage		15,095		15,095
Tapes & supplies	70,125			70,125
Taxes-property		17,399		17,399
Telephone	207,271	76,567	56,940	340,778
Travel	26,108	61,249	2,095	89,452
Utilities	271,650	37,448	33,884	342,982
	<u>\$ 7,768,087</u>	<u>\$ 4,588,906</u>	<u>\$ 3,766,346</u>	<u>\$ 16,123,339</u>

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Cash Flows
For the Year Ended September 30, 2006

CASH FLOWS FROM OPERATING ACTIVITES	
Increase in net assets	\$ 1,662,532
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation and amortization	366,506
Realized and unrealized gain on investments	(15,411)
Change in assets and liabilities	
Increase in pledges receivable	(70,203)
Increase in grants receivable	(69,250)
Increase in prepaid expenses	(201,377)
Decrease in inventory	29,356
Increase in donor bequest and endowment receivables	(1,043,772)
Decrease in accounts payable	(92,376)
Decrease in deferred income	(3,732)
NET CASH PROVIDED BY OPERATING ACTIVITES:	<u>562,273</u>
 CASH FLOWS FROM INVESTING ACTIVITES	
Purchase of equipment	(318,388)
Purchase of furniture & fixtures	(3,912)
Purchase of building and improvements	(36,269)
Net (Acquisition)/Sales of investments	18,100
NET CASH USED BY INVESTING ACTIVITES:	<u>(340,469)</u>
 CASH FLOWS FROM FINANCING ACTIVITES	<u>0</u>
 NET INCREASE IN CASH	221,804
 CASH, BEGINNING OF YEAR	2,091,633
 CASH, END OF YEAR	<u><u>\$ 2,313,437</u></u>

The accompanying notes are an integral part of these financial statements

**PACIFICA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2006

NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Description of Operations

Pacifica Foundation was incorporated under the Nonprofit Corporation Law of the State of California on August 24, 1946 and 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 122 affiliated non-commercial radio stations.

The financial statements include the operations of the following divisions:

Radio Station-KPFA-Berkeley, California
Radio Station-KPFK-Los Angeles, California
Radio Station-KPFT-Houston, Texas
Radio Station-WBAI-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.

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.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Inventory

Each station maintains an inventory of premium items used for fundraising activities carried at the lower of cost or fair market values.

Property and Equipment

Purchases of property and equipment are recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose (see Note 4). Property and equipment are depreciated using the straight-line method over 30 yrs for Buildings, 10 yrs for Furniture and Fixtures, 10yrs for Technical Equipment, 20yrs for Transmitter and Antenna Equipment (10yrs for Transmitter equipment acquired prior to October 1, 2002) and 5yrs for Computer and Office Equipment. The Organization's capitalization policy is to capitalize and depreciate assets over \$1,000.

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2006

Intangible Assets

The foundation owns the broadcasting licenses of all five stations of which four licenses were acquired at no cost to the Foundation.

The cost of the fifth broadcasting license (WPFW) was being amortized on a straight-line method over 20 years from date of acquisition (1977). That license was fully amortized as of September 30, 1997 and, as such, no amortization was charged to operations in the year ended September 30, 2006. (Radio Station WPFW).

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, 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 stipulations.

Temporarily restricted net assets

Net assets subject to donor-imposed stipulations that may be met, either by actions of the Foundation and/or the passage of time. When a restriction expires, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. At September 30, 2006, there were temporarily restricted funds remaining as follows:

	<u>Totals</u>	<u>KPFA</u>	<u>KPFK</u>	<u>KPFT</u>	<u>WBAI</u>	<u>WPFW</u>
CPB - Internet grant	\$ 20,000	\$ 5,000	\$ 5,000		\$ 5,000	\$ 5,000
Comm Tech Grant - programming	38,433		38,433			
Miller Theatre	4,875			4,875		
KPFT - Grant rec. - programming	20,000			20,000		
Humanities - Texas	400			400		
Katrina relief drive	6,450	3,513	2,937			
Grant - advertising	15,000				15,000	
	<u>\$ 105,158</u>	<u>\$ 8,513</u>	<u>\$ 46,370</u>	<u>\$ 25,275</u>	<u>\$ 20,000</u>	<u>\$ 5,000</u>

Permanently restricted net assets

Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. 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 5)

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2006

Contributions

Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met (Note 16). Unconditional promises to give due in the next year are recorded at their net realizable value. As of September 30, 2006 there were no unconditional promises to give in subsequent years, other than Pledges Receivable (Note 3).

Restricted Grants

In accordance with the provisions of each grant, the funds received are restricted in use and must be used for their intended purposes. In general, the restrictions are that the funds be used for the operation of the radio stations but also contain specific restrictions such as salaries, consulting fees for special events and other similar expenditures. All other revenues are considered to be available for unrestricted use except for various endowments specifically restricted by the donor. (See Notes 5 & 8)

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.

Donated services-volunteers

No amount has been included for volunteer support for stations operations and general administration where the amounts donated and contributed are for services of volunteers, where the work being performed is other than their regular professional occupation.

Income Taxes

The Foundation has qualified as a tax-exempt organization under 501(C)(3) of the Internal Revenue Code and therefore has made no provision for Federal income taxes, other than taxes on unrelated business taxable income (UBTI).

NOTE 1 – Concentration Of Credit Risk

Pacifica Foundation maintains several bank accounts at one bank. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$100,000. Cash at these institutions exceeded federally insured limits. The amount in excess of the FDIC limit totaled \$2,371,697 as of September 30, 2006. The Foundation also maintains accounts with stock brokerage firms. The accounts contain cash and securities. Balances are insured up to \$500,000 (with a limit of \$100,000 for cash) by the Securities Investor Protection Corp. There were no amounts in excess of the insured limits with brokers at September 30, 2006.

NOTE 2 – 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

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2006

NOTE 2 – Investments (continued)

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 \$15,411. Unrealized gains since acquisition totaled \$39,008.

Investments, stated at fair market value as of September 30, 2006 consist of the following:

	<u>COST</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN (LOSS)</u>
Money Market (Brokerage accounts)	\$ 139,786	\$ 139,786	\$ -
Corporate Bonds	139,148	138,227	(921)
Corporate Marketable Securities	198,123	238,052	39,929
	<u>477,057</u>	<u>516,065</u>	<u>39,008</u>
Investments account	11,948	12,477	529
Endowment account	465,109	503,588	38,479
	<u>\$ 477,057</u>	<u>\$ 516,065</u>	<u>\$ 39,008</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended September 30, 2006.

Investment Income

	<u>UNRESTRICTED</u>
Realized & unrealized gains	\$ 15,411
Interest & dividends	42,225
Net investment income (losses)	<u>\$ 57,636</u>

NOTE 3 – Pledges And Other Receivables

Pledges receivable have been recorded as of September 30, 2006 based primarily on balances due on installment pledges and represent historical collection fulfillment rates for this fiscal year of approximately 91% KPFA, 88% KPFK, 91% KPFT, 85% WBAI and 93% WPFW. No allowances for doubtful accounts have been made. Receivables are written off as bad debt as they become uncollectible.

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2006

NOTE 4 – Technical Equipment Subject To Restrictions

Included in the property and equipment held at September 30, 2006 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, 2006, the following assets were subject to the federal ten-year periods:

	<u>Approximate Costs</u>	<u>End of 10-year Period</u>
KPFA	\$ 73,326	2013
KPFA	19,100	2016
KPFK	159,810	2013
WBAI	38,966	2011
WPFW	125,500	2013
Total equipment subject to federally retained interests	<u><u>\$ 416,702</u></u>	

NOTE 5 – Program Endowment, Restricted

Pacifica has received donations, which the grantors and Pacifica's Board intend to be held as endowments. It is management's intention to invest the endowment in various long-term investment instruments. The annual investment income may be used for various program production activities. In addition, if the value of assets has appreciated over the historic dollar value of \$366,055, the net appreciation, realized (with respect to all assets) and unrealized (with respect only to readily marketable assets) may be appropriated for expenditure, unless prohibited by the donor in the applicable gift instrument. In addition, the organization is the beneficiary of endowment bequests receivable of \$700,000 at September 30, 2006.

NOTE 6 – Temporarily Restricted Contributions-Katrina Relief Fund

KPFK & KPFA - on air fundraising activities raised \$15,000 and \$41,256 from listeners for Katrina Hurricane Relief efforts of which \$12,449 was used for Katrina coverage and travel expenses and \$37,743 was distributed to 501(c) (3) public charity Katrina disaster relief agencies. \$6,450 remained in temporarily restricted funds on September 30, 2006.

NOTE 7 – Listener Support / Donations

Listener support/donations includes major donations and bequests totaling \$675,627 for the year ending September 30, 2006.

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2006

NOTE 8 – Grant Revenue

Grant Revenue was recognized from the following sources:

	<u>TOTAL</u>	<u>Corporation for Public Broadcasting</u>	<u>Charitable Foundations NEA and Other</u>
KPFA	\$ 587,534	\$ 507,434	\$ 80,100
KPFK	430,204	378,204	52,000
WBAI	555,610	522,610	33,000
KPFT	277,720	237,947	39,773
WPFW	312,312	299,712	12,600
PRA	8,500		8,500
Total Grants	\$ 2,171,880	\$ 1,945,907	\$ 225,973

Funding from the Corporation for Public Broadcasting (CPB) has been budgeted through September 30, 2007. Grant revenue is received for program production, capital equipment acquisition and station operations. KPFA, KPFK, WBAI and WPFW received an additional \$5,000 each during the year from CPB for Internet Services Acquisition Grants. KPFT also received \$32,500 from CPB for Digital Conversion Grants. There were \$20,000 of restricted funds remaining at September 30, 2006 from CPB for Internet Services Acquisition grants/Digital Conversion Grants.

Grant revenue includes \$8,500 from National Endowment for the Arts (NEA) for PRA Archives Project, and \$57,500 from Klamath Environment Grants for KPFA News and Public Awareness programs on the public hazards of toxic chemicals.

NOTE 9 – 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, 2006 resulting in total annual SCA revenue of approximately \$228,000.

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.

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2006

NOTE 10 – Lease Commitments, Offices And Facilities

Studio and Office Rent

The Foundation leases offices and operating facilities under operating leases providing for minimum future rentals at WBAI-FM, WPFW-FM and KPFT-FM. WBAI is currently obligated under a studio and office lease rental agreement entered into in June 1997 for 15 years at a current monthly base rental of \$19,607. WPFW is currently obligated under a studio and office lease rental agreement amended October 24, 2000 extending the lease term to November 30, 2008 at a current monthly base rental of \$11,349. Generally, the leases provide that insurance, maintenance and taxes are to be paid by the lessee.

Equipment Rental (Towers)

NEW YORK-WBAI-FM

WBAI is currently obligated under a radio tower rental agreement entered into in June 2005 for 15 years at a monthly base rental of \$18,750 (as of September 30, 2005) plus a fixed annual rent of \$25,575 subject to annual cost of consumer price index adjustments.

WASHINGTON-WPFW-FM

WPFW is currently obligated under a radio tower rental agreement entered into in January 1, 1988 at a monthly rental subject to annual cost of consumer price index adjustments.

HOUSTON-KPFT-FM

KPFT-FM is currently obligated under a radio tower rental agreement entered into on February 1, 1997 for 2 years. The lease contains four individual 2-year options to renew under similar terms. The fourth option to extend automatically became effective on February 1, 2005 for the period February 1, 2005 to January 31, 2007, at a monthly rental of \$2,651. The future minimum rental payments under leases with remaining non-cancelable terms in excess of one year are:

Year Ended	<u>TOTAL</u>	<u>Studio and Office Rent</u>	<u>Tower Rent</u>
9/30/07	\$ 697,987	\$ 378,984	\$ 319,003
9/30/08	743,977	416,378	327,599
9/30/09	646,599	297,200	349,399
9/30/10	581,454	271,038	310,416
9/30/11 and thereafter	5,354,047	609,834	4,744,213
	<u>\$ 8,024,064</u>	<u>\$ 1,973,434</u>	<u>\$ 6,050,630</u>

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2006

NOTE 11 – 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, except for a legal settlement made during the year for which the court has awarded the plaintiff “reasonable” legal fees which have been estimated and recorded at \$125,000.

Communications Attorneys

Pacifica’s communications attorneys have advised management that they are not aware of any pending or threatened litigations, claims, or assessments, except for a possible FCC investigation of obscenity complaints related to WBAI and a pending EEO audit of KPDK which are not expected by management to result in any significant sanctions or fines.

NOTE 12 – 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.

NOTE 13 – Severance Payments Included In Salaries Expense

Severances paid or accrued to employees terminated during the fiscal year ended Sept. 30, 2006 of \$72,862 has been included in the total salaries expense of \$6,086,053.

NOTE 14 – Employee Benefit Plan

The Foundation has a defined contribution 403B salary deferral plan and a profit-sharing plan covering substantially all eligible employees’ salaries. Plan expenses incurred by the Foundation during the fiscal year ended September 30, 2006 was \$184,705.

NOTE 15 – Democracy Now Agreement

On June 13, 2002 an agreement was made between Pacifica and Democracy Now! Productions, Inc. (Producer) whereby the Democracy Now! Program would be independently produced by the Producer under an annual contract with Pacifica for \$440,000 for fiscal year ended Sept. 30, 2003 with annual increases of 4% in subsequent years until the termination of the contract on Sept. 30, 2007. In addition to the fees specified above, Pacifica will pay the costs of Producer’s ISDN and telephone service, not to exceed \$4,000 per month.

NOTE 16 – Charitable Remainder Trusts

In December 1990 Pacifica was named principal beneficiary of the Lutz Charitable Remainder Trust. The terms of the trust calls for 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

PACIFICA FOUNDATION
Notes to Financial Statements
For the Year Ended September 30, 2006

NOTE 16 – Charitable Remainder Trusts (continued)

excess trust income added to principal. Annual trust administrative costs are to be paid out of trusts assets. Upon expiration of the trust term of twenty years or if earlier, upon the death of the last income beneficiary, trust assets revert to Pacifica Foundation. The market value of these trust assets at September 30, 2006 was \$149,415. Pacifica is also the principal beneficiary of the Pacifica Foundation Pooled Income Trust Fund, which holds funds for various income beneficiaries. The market value of these trust assets at September 30, 2006 was \$147,080.

NOTE 17 – Annual Election Of Directors

Pursuant to the adoption of new By-Laws, the five station Pacifica Radio network held elections in February, 2004 whereby over 16,000 active members nationwide cast ballots in an independently supervised election that elected five 24-member Local Station Boards (LSB) representing KPFA, KPFK, KPFT, WBAI and WPFW. The LSB's in turn elected representatives to a 22 member Pacifica National Board seated on March 12, 2004. As of September 30, 2006 there were approximately 87,070 active members across the Pacifica network which met the voting qualifications of (a) donating \$25 or more to a Pacifica station during the year, or (b) volunteering a minimum of three verifiable hours to a Pacifica station, or (c) receiving a staff or hardship exemption qualification. No goods or services are provided to members other than the right to attend meetings, vote or hold office and, accordingly, the organization does not recognize a portion of donations received as Membership Dues. Subsequent to September 30, 2006, annual elections were held across the network in November and December of 2006 whereby, approximately 11,397 active members nationwide cast ballots in an independently supervised election that elected 12 members to each of the five 24-member LSB's to three-year terms. The LSB's in turn elected four representatives each to a 22 member PACIFICA NATIONAL BOARD (Including 2 affiliate members) that was seated in January 2007.

NOTE 18 – Cancellation of Debt Income

\$261,654 of disputed invoices for legal and professional services dated prior to December 31, 2001 have been written of as uncollectible under applicable State statutes of limitations for collection of debts.

NOTE 19 – Long Term Inter-Division Receivables and Payables

Interdivisional transactions and extraordinary unallocated expenses dated prior to October 1, 2005 which would require board resolution in order to clear these accounts. Any adjustment to these accounts would have no effect on current year activities and would be reported under Eliminations on the Statement of Financial Position by Division.

**PACIFICA FOUNDATION
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

PACIFICA FOUNDATION
Statement of Financial Position by Division
At September 30, 2006

	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
ASSETS								
CURRENT ASSETS								
Cash	\$ 2,313,437		\$ 962,552	\$ 318,763	\$ 206,117	\$ 159,816	\$ 435,443	\$ 230,746
Investments	12,477			12,477				
Pledges and other receivables	768,965		198,235	239,223	184,860	64,748	20,915	60,984
Donor bequests receivable	343,772		343,772					
Grants receivables	69,250	(377,125)	24,100	5,000	30,150	5,000	5,000	
Inter-division receivables								
Prepaid expenses	256,398		25,046					348,017
Inventory	120,694		7,145	70,209	19,153	10,621	29,108	229,038
TOTAL CURRENT ASSETS	3,884,993	(377,125)	1,560,850	645,672	440,280	240,185	506,346	868,785
PROPERTY AND EQUIPMENT								
Equipment	7,837,536		2,093,699	1,903,088	588,162	1,301,796	826,808	1,123,983
Furnitures and fixtures	327,914		106,038	10,900	22,130	62,468	84,669	41,709
Leasehold improvements	733,673			7,707	16,430	494,471	98,564	116,501
Building and improvements	3,007,502		2,058,568	568,092	130,253			250,589
Land	632,428		481,069	88,475	62,884			
	12,539,053		4,739,374	2,578,262	819,859	1,858,735	1,010,041	1,532,782
Less: Accumulated depreciation	(9,108,373)		(2,869,473)	(1,721,027)	(590,759)	(1,729,043)	(950,289)	(1,247,782)
NET PROPERTY AND EQUIPMENT	3,430,680		1,869,901	857,235	229,100	129,692	59,752	285,000
OTHER ASSETS								
Other assets including deposits	55,802					41,842	13,960	
Inter-division receivables		(1,656,946)	1,484,478	172,468				503,588
Program endowment	503,588							350,000
Bequest endowment receivable	700,000		350,000					853,588
TOTAL OTHER ASSETS	1,259,390	(1,656,946)	1,834,478	172,468	0	41,842	13,960	853,588
TOTAL ASSETS	\$ 8,575,063	\$ (2,034,071)	\$ 5,265,229	\$ 1,675,375	\$ 669,380	\$ 411,719	\$ 580,058	\$ 2,007,373

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Financial Position by Division (continued)
At September 30, 2006

LIABILITIES AND NET ASSETS	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
CURRENT LIABILITIES								
Accounts payable and accrued expenses	\$ 1,050,513		\$ 311,854	\$ 117,838	\$ 75,840	\$ 214,280	\$ 49,499	\$ 281,202
Inter-division payable		(377,125)	126,424	27,803	48,488	174,410		
TOTAL CURRENT LIABILITIES	<u>1,050,513</u>	<u>(377,125)</u>	<u>438,278</u>	<u>145,641</u>	<u>124,328</u>	<u>388,690</u>	<u>49,499</u>	<u>281,202</u>
LONG TERM LIABILITIES								
Inter-division payable		(1,656,946)			298,657	30,362	280,678	1,047,249
TOTAL LONG TERM LIABILITIES		<u>(1,656,946)</u>			<u>298,657</u>	<u>30,362</u>	<u>280,678</u>	<u>1,047,249</u>
TOTAL LIABILITIES	<u>1,050,513</u>	<u>(2,034,071)</u>	<u>438,278</u>	<u>145,641</u>	<u>422,985</u>	<u>419,052</u>	<u>330,177</u>	<u>1,328,451</u>
NET ASSETS								
Unrestricted	6,353,337		4,318,438	1,463,364	221,120	(27,333)	244,881	132,867
Temporarily restricted	105,158		8,513	46,370	25,275	20,000	5,000	0
Permanently restricted	1,066,055		500,000	20,000	246,395	(7,333)	249,881	546,055
TOTAL NET ASSETS	<u>7,524,550</u>		<u>4,826,951</u>	<u>1,529,734</u>	<u>472,790</u>	<u>(14,666)</u>	<u>509,762</u>	<u>678,922</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,575,063</u>	<u>\$ (2,034,071)</u>	<u>\$ 5,265,229</u>	<u>\$ 1,675,375</u>	<u>\$ 669,380</u>	<u>\$ 411,719</u>	<u>\$ 580,058</u>	<u>\$ 2,007,373</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, 2006

	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
UNRESTRICTED REVENUE & SUPPORT								
Listener support / Donations	\$ 13,774,034		\$ 3,941,317	\$ 3,198,856	\$ 1,233,895	\$ 2,767,568	\$ 1,682,619	\$ 949,779
Grants	1,391,443		364,265	270,573	158,572	375,267	222,766	
Community events	440,602		200,567	17,977	15,775	190,074	5,332	10,877
SCA income	228,000							228,000
Other revenue	587,140		37,497	6,503	2,067			541,073
Investment income (note 2)	57,636		14,691	7,081				35,864
Central services	0	(2,367,700)						
Net assets released from restrictions	771,921		266,012	138,647	93,873	170,343	94,546	2,367,700
TOTAL UNRESTRICTED REVENUE	17,250,776	(2,367,700)	4,824,349	3,639,637	1,504,182	3,503,252	2,005,263	4,141,793
EXPENSES								
Program services	7,768,087		2,174,952	1,542,853	444,583	1,985,086	526,342	1,094,271
Management & general	4,588,906		980,694	547,870	393,067	429,931	375,255	1,862,089
Fundraising	3,766,346		783,618	996,279	372,376	628,152	577,362	408,559
Central services	0	(2,367,700)	694,160	578,957	227,794	529,690	337,099	
Community events	229,677		116,373	30,882	14,549	49,342	15,091	3,440
TOTAL EXPENSES	16,353,016	(2,367,700)	4,749,797	3,696,841	1,452,369	3,622,201	1,831,149	3,368,359
INCREASE (DEC.) IN UNRES. NET ASSETS	897,760		74,552	(57,204)	51,813	(118,949)	174,114	773,434
TEMPORARILY RESTRICTED NET ASSETS								
Contributions-Katrina Relief Fund	56,256		\$ 41,256	15,000				
Grants	780,437		223,269	159,631	119,148	180,343	89,546	8,500
Net assets released from restrictions	(771,921)		(266,012)	(138,647)	(93,873)	(170,343)	(94,546)	(8,500)
INCREASE(DEC.) IN TEMP. RES. NET ASSETS	64,772		(1,487)	35,984	25,275	10,000	(5,000)	0
CHANGE IN PERM. RESTRICTED NET ASSETS	700,000		350,000	0	0	0	0	350,000
NET ASSETS-Beginning of year	5,862,018		4,403,886	1,550,954	169,307	101,616	80,767	(444,512)
NET ASSETS-End of year	\$ 7,524,550		\$ 4,826,951	\$ 1,529,734	\$ 246,395	\$ (7,333)	\$ 249,881	\$ 678,922

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, 2006

	Totals	Eliminations	KPFA	KPKF	KPFT	WBAI	WPFW	National Division
SALARIES AND RELATED EXPENSES								
Salaries	\$ 6,086,053		\$ 1,761,084	\$ 1,265,282	\$ 463,608	\$ 1,087,649	\$ 446,769	\$ 1,061,661
Payroll taxes	557,792		163,600	113,693	42,368	107,473	40,175	90,483
Employee benefits	1,251,869		352,019	229,122	128,081	214,928	104,058	223,661
Outside services	270,094		50,074	59,030	7,248	12,267	22,024	119,451
TOTAL SALARIES & RELATED EXPENSES	8,165,808		2,326,777	1,667,127	641,305	1,422,317	613,026	1,495,256
OTHER EXPENSES								
Payroll service	7,223							7,223
Advertising & promotion	12,896		3,084		4,484	900	2,157	2,271
Associations & periodicals	32,264		8,583	7,564	3,976	3,521	710	7,910
Audit and accounting fees	59,400							59,400
Bad debt expenses	20,000							20,000
Bank charges	36,221		9,794	7,241	5,087	12,426	894	779
Board election expenses	47,578		10,606	11,760	7,589	7,058	9,465	1,100
Brokers fee	4,043							4,043
CAC Training expenses	3,596		3,361	235				
Computer maintenance	225,896		43,104	40,175	35,786	18,123	14,283	74,425
Conferences & training	43,200		2,111	9,710	14,999	11,827	216	4,337
Consulting fees	3,760			100			3,660	
Credit card fees	293,812		65,703	80,113	34,514	59,154	50,591	3,737
Democracy now	542,940							542,940
Depreciation & amortization	367,578		97,234	103,895	7,894	78,351	20,673	59,531
Development expenses	42,065		1,350	5,798	20,415	10,740	210	3,552
Direct mail/telemarketing/Sub. serv.	708,350		135,161	93,591	94,059	58,853	67,616	259,070
Equipment rental	117,211		29,135	18,855	8,817	24,424	16,161	19,819
Fines and penalty	4,000							4,000
Folio expenses	12,228				6,242	5,986		
Insurance	243,378		5,846					237,532
Interest	14,388			4,362			35	9,991
Katrina Relief Coverage	12,449			12,449				
Katrina Relief Agencies	37,743		37,743		4,204	45,260	2,866	27,941
Legal and professional fees	377,210		267,322	29,617	2,912	1,798	254	6,783
Major gifts expense	8,503		3,539	8,650	1,773	1,499	6,955	2,400
Misc.	33,756		8,096	5,035				
Moving expenses	10,435		3,000					
National board expenses	275,124		6,514	26,068	4,109	8,524	7,294	222,615
National Prog.-Free Speech Radio	520,882		138,220	102,670	56,520	142,396	81,076	
News service	154,614		36,408	88,315	1,828	28,063	0	
NFCB Tradeshows & conventions	25,122			2,469		3,748	3,175	15,730
Non-operating grant expenses	3,947		3,947					
Office expenses	100,865		8,206	34,853	14,077	6,436	7,342	29,951

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
Statement of Functional Expenses by Division (continued)
For the Year Ended September 30, 2006

	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
Postage & shipping	68,149		5,279	8,620	7,329	7,190	21,162	18,569
Premiums/shipping & marathons	1,193,987		275,491	362,302	66,602	218,201	216,524	54,867
Presidential election/comm. hearings	2,339		260	0	0	0	0	2,079
Printing & publications	115,424		16,509	17,252	15,376	44,426	19,235	2,626
Programming services & expenses	62,197		14,341	1,700	33,600	6,885	1,000	4,671
Rent - Office/Studio	370,675		0	0	0	235,281	135,394	
Rent - Tower	435,241				33,662	373,330	28,249	
Repairs & maintenance	268,727		76,195	103,708	11,293	29,160	36,906	11,465
Satellite interconnect	25,800		12,600	6,600	6,600			
Settlement cost	131,000		125,000		3,000			
State filing fees	5,484		498	262	0	13		3,000
Storage	15,095			930			5,004	4,711
Tapes & supplies	70,125		5,561	10,200		6,059		48,305
Taxes-property	17,399		3,635	0	13,565	0	0	199
Telephone	340,778		65,555	92,474	30,404	74,698	43,006	34,641
Travel	89,452		14,359	18,565	3,146	8,569	1,262	43,551
Utilities	342,982		69,137	103,737	14,859	87,953	62,558	4,738
TOTAL OTHER EXPENSES	7,957,531		1,612,487	1,419,875	568,721	1,620,852	865,933	1,869,663
TOTAL FUNCTIONAL EXPENSES	\$ 16,123,339		\$ 3,939,264	\$ 3,087,002	\$ 1,210,026	\$ 3,043,169	\$ 1,478,959	\$ 3,364,919

PACIFICA FOUNDATION
Statement of Functional Expenses by Division - Program Services
For the Year Ended September 30, 2006

	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
SALARIES AND RELATED EXPENSES								
Salaries	\$ 3,494,066		\$ 1,278,840	\$ 757,769	\$ 195,088	\$ 798,498	\$ 177,127	\$ 286,744
Payroll taxes	326,532		118,809	68,455	19,085	78,170	16,441	25,572
Employee benefits	754,497		274,575	142,056	64,041	154,748	46,826	72,251
Outside services	65,173		15,114	7,548	925	512	22,024	19,050
TOTAL SALARIES & RELATED EXPENSES	4,640,268		1,687,338	975,828	279,139	1,031,928	262,418	403,617
OTHER EXPENSES								
Associations & periodicals	6,197		2,139	3,558			500	
CAC Training	3,596		3,361	235				23,754
Computer maintenance	46,756		3,257	16,082		3,663		3,503
Conferences & training	5,334		1,831					542,940
Democracy now	542,940		73,069	66,433	7,232	55,401	16,947	7,270
Depreciation & amortization	226,352							6,125
Direct mail/ telemarketing/Sub. serv.	6,125							6
Equipment rental	15,586			5,580		10,000		
Katrina Relief Coverage	12,449			12,449				
Katrina Relief Agencies	37,743		37,743					
Legal and professional fees	47,391		3,070	12,906	3,256	9,541	2,866	15,752
Misc.	3,823		884	2,553				386
National Prog.-Free Speech Radio	520,882		138,220	102,670	56,520	142,396	81,076	
News service	154,614		36,408	88,315	1,828	28,063		
NFCB Tradeshows & conventions	25,122			2,469		3,748	3,175	15,730
Non-operating grant expenses	3,947		3,947					
Office expenses	6,270		115	5,501	77			577
Postage & shipping	4,854		2,462	1,980	37	52	24	299
Presidential election/comm. hearings	2,339		260					2,079
Printing & publications	506						166	340
Programming services	62,197		14,341	1,700	33,600	6,885	1,000	4,671
Rent - Office/Studio	230,329					169,402	60,927	
Rent - Tower	435,241				33,662	373,330	28,249	
Repairs & maintenance	126,272		20,606	74,440		27,169	2,678	1,379
Satellite interconnect	25,800		12,600	6,600	6,600			
Tapes & supplies	70,125		5,561	10,200		6,059		48,305
Telephone	207,271		51,133	57,334	15,202	53,783	19,353	10,466
Travel	26,108		13,832	5,737		340	217	5,982
Utilities	271,650		62,775	90,283	7,430	63,326	46,746	1,090
TOTAL OTHER EXPENSES	3,127,819		487,614	567,025	165,444	953,158	263,924	690,654
TOTAL PROGRAM SERVICES EXPENSES	\$ 7,768,087		\$ 2,174,952	\$ 1,542,853	\$ 444,583	\$ 1,985,086	\$ 526,342	\$ 1,094,271

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, 2006

	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
SALARIES AND RELATED EXPENSES								
Salaries	\$ 1,660,554		\$ 262,328	\$ 199,530	\$ 164,774	\$ 168,738	\$ 150,500	\$ 714,684
Payroll taxes	143,470		23,990	17,622	13,071	16,396	13,032	59,359
Employee benefits	320,650		45,762	32,077	43,547	30,090	29,136	140,038
Outside services	198,056		31,160	50,015	6,323	11,755		98,803
TOTAL SALARIES & RELATED EXPENSES	2,322,730		363,240	299,244	227,715	226,979	192,668	1,012,884
OTHER EXPENSES								
Payroll service	7,223							7,223
Advertising & promotion	1,000		1,000					440
Associations & periodicals	16,613		4,460	4,006	3,976	3,521	210	59,400
Audit and accounting fees	59,400							20,000
Bad debt expenses	20,000							779
Bank charges	36,221		9,794	7,241	5,087	12,426	894	1,100
Board election expenses	47,578		10,606	11,760	7,589	7,058	9,465	4,043
Brokers fee	4,043							50,212
Computer maintenance	165,122		39,548	17,603	35,786	10,131	11,842	834
Conferences & training	31,774		280	7,849	14,904	7,691	216	
Consulting fees	3,760			100			3,660	
Depreciation & amortization	141,226		24,165	37,462	662	22,950	3,726	52,261
Equipment rental	99,456		29,135	11,106	8,817	14,424	16,161	19,813
Fine & penalty	4,000							4,000
Insurance	243,378		5,846					237,532
Interest	14,388			4,362			35	9,991
Legal and professional fees	329,106		263,539	16,711	948	35,719		12,189
Misc.	29,101		7,074	5,403	1,773	1,499	6,955	6,397
Moving expenses	10,435		3,000	5,035				2,400
National board expenses	275,124		6,514	26,068	4,109	8,524	7,294	222,615
Office expenses	92,258		7,984	27,549	13,723	6,436	7,342	29,224
Postage & shipping	59,778		1,946	6,104	7,292	7,138	21,138	16,160
Printing & publications	22,961		5,169	93	15,340		73	2,286
Rent - Office/Studio	70,851					32,940	37,911	10,086
Repairs & maintenance	137,138		55,589	28,654	11,293	1,991	29,525	3,000
Settlement cost	131,000		125,000		3,000			4,711
State filing fees	5,484		498	262		13	5,004	9,161
Storage	15,095			930				199
Taxes-property	17,399		3,635		13,565			22,264
Telephone	76,567		8,522	12,946	10,337	10,457	12,041	37,569
Travel	61,249		391	12,425	2,099	7,720	1,045	1,045
Utilities	37,448		3,759	4,957	5,052	12,314	8,050	3,316
TOTAL OTHER EXPENSES	2,266,176		617,454	248,626	165,352	202,952	182,587	849,205
TOTAL MGMT AND GENERAL EXPENSES	\$ 4,588,906		\$ 980,694	\$ 547,870	\$ 393,067	\$ 429,931	\$ 375,255	\$ 1,862,089

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, 2006

	Totals	Eliminations	KPFA	KPFK	KPFT	WBAI	WPFW	National Division
SALARIES AND RELATED EXPENSES								
Salaries	\$ 931,433		\$ 219,916	\$ 307,983	\$ 103,746	\$ 120,413	\$ 119,142	\$ 60,233
Payroll taxes	87,790		20,801	27,616	10,212	12,907	10,702	5,552
Employee benefits	176,722		31,682	54,989	20,493	30,090	28,096	11,372
Outside services	6,865		3,800	1,467				1,598
TOTAL SALARIES & RELATED EXPENSES	1,202,810		276,199	392,055	134,451	163,410	157,940	78,755
OTHER EXPENSES								
Payroll service	0				4,484	900	2,157	2,271
Advertising & promotion	11,896		2,084					7,470
Associations & periodicals	9,454		1,984					459
Computer maintenance	14,018		299	6,490		4,329	2,441	
Conferences & training	6,092			1,861	95	4,136		
Credit card fees	293,812		65,703	80,113	34,514	59,154	50,591	3,737
Development expenses	42,065		1,350	5,798	20,415	10,740	210	3,552
Direct mail/ telemarketing/Sub. serv.	702,225		135,161	93,591	94,059	58,853	67,616	252,945
Equipment rental	2,169			2,169				
Folio expenses	12,228				6,242	5,986		
Legal and professional fees	713		713					
Major gifts expense	8,503		3,539		2,912	1,798	254	
Misc.	832		138	694				
Office expenses	2,337		107	1,803	277			150
Postage & shipping	3,517		871	536				2,110
Premiums/shipping & marathons	1,193,987		275,491	362,302	66,602	218,201	216,524	54,867
Printing & publications	91,957		11,340	17,159	36	44,426	18,996	
Rent - Office/Studio	69,495					32,939	36,556	
Repairs & maintenance	5,317			614			4,703	
Telephone	56,940		5,900	22,194	4,865	10,458	11,612	1,911
Travel	2,095		136	403	1,047	509		
Utilities	33,884		2,603	8,497	2,377	12,313	7,762	332
TOTAL OTHER EXPENSES	2,563,536		507,419	604,224	237,925	464,742	419,422	329,804
TOTAL FUNDRAISING EXPENSES	\$ 3,766,346		\$ 783,618	\$ 996,279	\$ 372,376	\$ 628,152	\$ 577,362	\$ 408,559

The accompanying notes are an integral part of these financial statements

PACIFICA FOUNDATION
 Other Revenue by Division
 For the Year Ended September 30, 2006

	<u>Totals</u>	<u>KPFA</u>	<u>KPFFK</u>	<u>KPFT</u>	<u>WBAI</u>	<u>WPFW</u>	<u>National Division</u>
OTHER REVENUE							
Tape sales (recorded programs)	\$ 248,594						\$ 248,594
Rental of mailing lists	30,825						30,825
Transmitter rental (net)	15,900	15,900					
Studio rental (net)	12,168	12,168					
Cancellation of debt income (note 18)	261,654						261,654
Miscellaneous	17,999	9,429	6,503	2,067			
TOTAL OTHER REVENUE	<u>\$ 587,140</u>	<u>\$ 37,497</u>	<u>\$ 6,503</u>	<u>\$ 2,067</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 541,073</u>