

PACIFICA FOUNDATION  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
SEPTEMBER 30, 1994 AND 1993

PACIFICA FOUNDATION

FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

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REPORT OF THE INDEPENDENT AUDITORS

Board of Directors  
Pacifica Foundation  
Los Angeles, California

We have audited the accompanying balance sheets of the Pacifica Foundation (a nonprofit organization) at September 30, 1994 and 1993, and the related statements of revenue, expenses and fund balance, cash flows, and the related schedules listed in the accompanying index for each of the two years in the period ended September 30, 1994. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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 audits provide 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, 1994 and 1993, and the results of its operations and its cash flows for each of the two years in the period ended September 30, 1994 in conformity with generally accepted accounting principles.

*Getz, Krycler & Jakubovits*

Getz, Krycler & Jakubovits  
An Accountancy Corporation

February 17, 1995

EXHIBIT A

PACIFICA FOUNDATION  
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE BY DIVISION  
AS AT SEPTEMBER 30, 1994

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ASSETS	Totals	Eliminations	KPPA	KPPK	WBAI	KPFT	WPFW	National Office	
<b>CURRENT ASSETS</b>									
Cash in bank	\$132,708	-	\$44,043	\$5,874	\$66,726	\$8,008	\$2,292	\$5,765	
Restricted cash	1,357,855	-	293,329	50,000	142,551	-	-	271,975	
Accounts receivable	105,244	-	17,174	10,000	-	-	18,747	59,323	
Inter-division receivable	-	(360,552)	15,357	10,423	-	-	-	334,772	
Prepaid expenses	66,282	-	19,165	3,350	43,767	-	-	-	
<b>TOTAL CURRENT ASSETS</b>	<b>1,662,089</b>	<b>(360,552)</b>	<b>389,068</b>	<b>79,647</b>	<b>253,044</b>	<b>8,008</b>	<b>21,039</b>	<b>1,271,835</b>	
<b>PROPERTY AND EQUIPMENT</b>									
Land	632,428	-	481,069	88,475	-	62,884	-	-	
Building and improvements	2,557,049	-	1,965,480	257,456	-	99,406	-	234,707	
Equipment	3,818,504	-	1,540,464	586,918	608,288	330,346	521,192	231,296	
Leasehold improvements	578,252	-	-	-	495,681	6,200	53,959	22,412	
Furniture and fixtures	216,324	-	76,005	9,298	46,409	20,164	49,716	14,732	
Motor vehicles	5,604	-	3,954	-	-	1,650	-	-	
<b>Less: Accumulated depreciation</b>	<b>7,808,161</b>	<b>-</b>	<b>4,066,972</b>	<b>942,147</b>	<b>1,150,378</b>	<b>520,650</b>	<b>624,867</b>	<b>503,147</b>	
<b>PROPERTY AND EQUIPMENT, NET</b>	<b>3,025,627</b>	<b>-</b>	<b>970,660</b>	<b>644,305</b>	<b>615,108</b>	<b>208,305</b>	<b>348,554</b>	<b>238,695</b>	
<b>OTHER ASSETS</b>	<b>4,782,534</b>	<b>-</b>	<b>3,096,312</b>	<b>297,842</b>	<b>535,270</b>	<b>312,345</b>	<b>276,313</b>	<b>264,452</b>	
Station license, net of amortization of \$71,000	9,000	-	-	-	-	-	9,000	-	
Other, including deposits	63,810	-	1,750	22,700	23,001	3,000	7,013	6,346	
Program endowment, restricted	329,405	-	-	-	-	-	-	329,405	
<b>TOTAL OTHER ASSETS</b>	<b>402,215</b>	<b>-</b>	<b>1,750</b>	<b>22,700</b>	<b>23,001</b>	<b>3,000</b>	<b>16,013</b>	<b>335,751</b>	
<b>TOTAL ASSETS</b>	<b>\$6,846,838</b>	<b>(\$360,552)</b>	<b>\$3,487,130</b>	<b>\$400,189</b>	<b>\$811,315</b>	<b>\$323,353</b>	<b>\$313,365</b>	<b>\$1,872,038</b>	

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The notes are considered an integral part of these financial statements.  
GETZ, KRYCLER & JAKUBOVITS AN ACCOUNTANCY CORPORATION

PACIFICA FOUNDATION  
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE BY DIVISION  
AS AT SEPTEMBER 30, 1994

EXHIBIT A  
(Continued)

	Totals	Eliminations	KPFA	KPFK	WBAI	KPFT	WPFW	National Office
<b>CURRENT LIABILITIES</b>								
Accounts payable and accrued expenses	\$510,407	-	\$73,905	\$108,569	\$141,014	\$16,050	\$70,655	\$100,214
Loans payable - other	4,499	-	-	-	-	-	3,325	1,174
Deferred grant income	10,933	-	10,933	-	-	-	-	-
Inter-division payable	-	(360,552)	-	-	97,301	126,532	136,719	-
Loans payable - Bank - current portion	35,000	-	35,000	-	-	-	-	-
Deferred income - other	178,881	-	5,281	-	136,622	-	-	36,978
Deposits	1,200	-	1,200	-	-	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>740,920</b>	<b>(360,552)</b>	<b>126,319</b>	<b>108,569</b>	<b>374,937</b>	<b>142,582</b>	<b>210,699</b>	<b>138,566</b>
<b>LONG-TERM DEBT, NET OF CURRENT MATURITIES</b>	<b>642,909</b>	-	<b>615,833</b>	-	-	-	<b>26,624</b>	<b>452</b>
<b>TOTAL LIABILITIES</b>	<b>1,383,829</b>	<b>(360,552)</b>	<b>742,152</b>	<b>108,569</b>	<b>374,937</b>	<b>142,582</b>	<b>237,323</b>	<b>138,818</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	-	-	-	-	-	-	-	-
<b>FUND BALANCE (Exhibit B)</b>	<b>5,463,009</b>	-	<b>2,744,978</b>	<b>291,620</b>	<b>436,378</b>	<b>180,771</b>	<b>76,042</b>	<b>1,733,220</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$6,846,838</b>	<b>(\$360,552)</b>	<b>\$3,487,130</b>	<b>\$400,189</b>	<b>\$811,315</b>	<b>\$323,353</b>	<b>\$313,365</b>	<b>\$1,872,038</b>

The notes are considered an integral part of these financial statements.  
GETZ, KRYCLER & JAKUBOVITS AN ACCOUNTANCY CORPORATION

PACIFICA FOUNDATION  
 STATEMENT OF REVENUE AND EXPENSES AND FUND BALANCE BY DIVISION  
 FOR THE YEAR ENDED SEPTEMBER 30, 1994

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	Totals	Eliminations	KPFA	KPFK	WBAI	KPFT	WPFW	National Office
<b>REVENUE</b>								
Listener support / Donations	\$4,598,687	-	\$1,551,971	\$1,034,682	\$1,350,523	\$239,765	\$325,633	\$96,113
Grants	1,447,090	-	601,463	185,333	335,031	90,285	189,978	45,000
Community events	602,403	-	114,137	10,284	458,788	19,194	-	-
SCA income	747,617	-	2,000	38,888	137,701	6,594	243,193	319,221
Miscellaneous	401,216	(12,000)	100,930	4,675	5,510	873	216	301,012
Central services	-	(834,907)	-	-	-	-	-	834,907
	<u>7,797,013</u>	<u>(846,907)</u>	<u>2,370,501</u>	<u>1,273,862</u>	<u>2,287,633</u>	<u>356,651</u>	<u>759,020</u>	<u>1,596,253</u>
<b>DONATED SERVICES, MATERIALS AND FACILITIES</b> (Schedule B-1)								
	<u>337,471</u>	-	<u>132,898</u>	-	<u>185,686</u>	-	<u>6,500</u>	<u>12,387</u>
<b>TOTAL REVENUE</b>	<u>8,134,484</u>	<u>(846,907)</u>	<u>2,503,399</u>	<u>1,273,862</u>	<u>2,473,319</u>	<u>356,651</u>	<u>765,520</u>	<u>1,608,640</u>
<b>EXPENDITURES</b>								
Program services (Schedule B-II)	4,763,300	(12,000)	1,406,005	658,240	1,010,513	253,651	387,012	1,059,879
Management & general (Schedule B-III)	1,542,863	-	266,739	212,159	175,530	93,989	201,176	593,270
Fundraising (Schedule B-IV)	1,410,015	-	470,370	272,824	268,418	67,208	191,287	139,908
Community events	411,313	-	52,218	2,724	340,742	14,912	717	-
Central services	-	(834,907)	312,007	158,578	262,429	32,005	69,888	-
	<u>8,127,491</u>	<u>(846,907)</u>	<u>2,507,339</u>	<u>1,304,525</u>	<u>2,057,632</u>	<u>461,765</u>	<u>850,080</u>	<u>1,793,057</u>
<b>DONATED SERVICES, MATERIALS AND FACILITIES</b> (Schedule B-1)								
	<u>337,471</u>	-	<u>132,898</u>	-	<u>185,686</u>	-	<u>6,500</u>	<u>12,387</u>
<b>TOTAL EXPENSES</b>	<u>8,464,962</u>	<u>(846,907)</u>	<u>2,640,237</u>	<u>1,304,525</u>	<u>2,243,318</u>	<u>461,765</u>	<u>856,580</u>	<u>1,805,444</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>(330,478)</u>	-	<u>(136,838)</u>	<u>(30,663)</u>	<u>230,001</u>	<u>(105,114)</u>	<u>(91,060)</u>	<u>(196,804)</u>
<b>FUND BALANCE - Beginning of year</b>	<u>5,793,487</u>	-	<u>2,881,816</u>	<u>322,283</u>	<u>206,377</u>	<u>285,885</u>	<u>167,102</u>	<u>1,930,024</u>
<b>FUND BALANCE - End of year</b>	<u>\$5,463,009</u>	-	<u>\$2,744,978</u>	<u>\$291,620</u>	<u>\$436,378</u>	<u>\$180,771</u>	<u>\$76,042</u>	<u>\$1,733,220</u>

The notes are considered an integral part of these financial statements.  
 GETZ, KRYCIELER & JAKUBOVITS AN ACCOUNTANCY CORPORATION

PACIFICA FOUNDATION  
 SCHEDULE OF DONATED SERVICES, MATERIALS AND FACILITIES  
 FOR THE YEAR ENDED SEPTEMBER 30, 1994

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	Totals	KPFA	KPFK	WBAI	KPFT	WPFW	National Office
<b>DONATED SERVICES, MATERIALS AND FACILITIES</b>							
Accounting & legal	\$14,104	\$5,096	-	\$3,146	-	-	\$5,862
Technical	60,105	780	-	54,200	-	-	5,125
Fund raising and development	34,016	21,436	-	4,680	-	6,500	1,400
Programming service	224,034	100,374	-	123,660	-	-	-
Operating expenses	5,212	5,212	-	-	-	-	-
<b>TOTAL DONATED SERVICES AND MATERIALS EXCLUDING EQUIPMENT</b>	<b>\$337,471</b>	<b>\$132,898</b>	<b>-</b>	<b>\$185,686</b>	<b>-</b>	<b>\$6,500</b>	<b>\$12,387</b>

**DONATED EQUIPMENT**

Equipment (included in lister support/donations)

	\$31,013					\$4,400	
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The notes are considered an integral part of these financial statements.  
 GETZ, KRYCLER & JAKUBOVITS AN ACCOUNTANCY CORPORATION

SCHEDULE B-II

PACIFICA FOUNDATION  
SCHEDULE OF PROGRAM SERVICE EXPENDITURES  
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	Totals	Eliminations	KPFA	KPPK	WBAI	KPFT	WPFW	National Office
<b>SALARIES AND RELATED EXPENSES</b>								
Salaries	\$1,920,502	-	\$623,156	\$315,773	\$414,646	\$80,486	\$105,858	\$380,583
Payroll taxes	177,406	-	57,555	27,837	36,156	7,853	13,417	34,588
Employee benefits	190,553	-	71,091	31,154	42,453	10,872	1,670	33,313
Consultants	150,466	-	57,423	-	-	-	-	93,043
<b>TOTAL SALARIES AND RELATED EXPENSES</b>	<b>2,438,927</b>	-	<b>809,225</b>	<b>374,764</b>	<b>493,255</b>	<b>99,211</b>	<b>120,945</b>	<b>541,527</b>
<b>OTHER EXPENSES</b>								
Legal fees	38,992	-	-	-	12,291	-	-	26,701
Supplies	60,300	-	10,867	6,846	15,017	1,759	8,371	17,440
Telephone	291,078	-	59,224	56,263	67,214	10,659	34,483	63,235
Postage & shipping	47,939	-	5,854	11,495	3,368	453	4,018	22,751
Rent	190,326	(12,000)	-	297	110,878	-	53,361	37,790
Equipment rental	224,998	-	9,350	3,404	144,486	43,431	23,746	581
Printing & publications	51,427	-	20,754	8,618	13,084	1,830	6,621	520
Travel	27,381	-	2,606	1,825	1,459	518	1,228	19,745
Conferences & meetings	12,098	-	-	-	-	-	-	12,098
Interest	43,974	-	43,974	-	-	-	-	-
Depreciation & amortization	280,807	-	148,670	37,916	22,866	19,652	26,360	25,343
Associations & periodicals	16,745	-	2,657	533	-	-	565	12,990
Bank charges	1,902	-	-	-	-	-	-	1,902
Insurance	87,992	-	-	-	-	-	-	87,992
News service	119,564	-	26,493	29,317	24,252	6,365	330	32,807
Other administrative	60,611	-	5,608	531	3,782	4,669	9,613	36,408
Other programming	145,071	-	64,938	2,010	6,425	26,251	2,977	42,470
Postage & mailing services	38,858	-	22,355	1,747	14,001	-	755	-
Property taxes	32,597	-	4,167	691	13,743	2,268	11,728	-
Repairs & maintenance - general	86,278	-	27,276	23,174	10,721	1,570	17,563	5,974
Repairs & maintenance - technical	75,836	-	13,594	10,474	17,855	6,013	25,876	2,024
Satellite interconnect	76,629	-	11,615	6,299	6,673	6,200	6,947	38,895
Special projects	62,906	-	53,893	573	-	-	3,000	5,440
Tapes & supplies	53,408	-	12,943	5,844	7,013	987	3,775	22,846
Utilities	196,656	-	49,942	75,619	22,130	21,815	24,750	2,400
<b>TOTAL OTHER EXPENSES</b>	<b>2,394,373</b>	<b>(12,000)</b>	<b>596,780</b>	<b>283,476</b>	<b>517,258</b>	<b>154,440</b>	<b>266,067</b>	<b>518,352</b>
<b>TOTAL PROGRAM SERVICE EXPENDITURES</b>	<b>\$4,763,300</b>	<b>(\$12,000)</b>	<b>\$1,406,005</b>	<b>\$658,240</b>	<b>\$1,010,513</b>	<b>\$253,651</b>	<b>\$387,012</b>	<b>\$1,059,879</b>

The notes are considered an integral part of these financial statements.  
GETZ, KRYCIELER & JAKUBOVITS AN ACCOUNTANCY CORPORATION



PACIFICA FOUNDATION  
 SCHEDULE OF MANAGEMENT & GENERAL EXPENDITURES  
 FOR THE YEAR ENDED SEPTEMBER 30, 1994

	Totals	Eliminations	KPPA	KPFK	WBAI	KPFT	WPFW	National Office
<b>SALARIES AND RELATED EXPENSES</b>								
Salaries	\$829,040	-	\$135,430	\$128,582	\$98,365	\$58,828	\$96,821	\$311,014
Payroll taxes	78,250	-	12,509	11,935	8,577	5,739	11,824	28,266
Employee benefits	74,904	-	15,450	12,686	10,071	7,947	1,527	27,223
Consultants	56,022	-	2,703	20,956	-	-	3,074	29,289
<b>TOTAL SALARIES AND RELATED EXPENSES</b>	<b>1,038,216</b>	<b>-</b>	<b>166,092</b>	<b>173,559</b>	<b>117,013</b>	<b>72,514</b>	<b>113,246</b>	<b>395,792</b>
<b>OTHER EXPENSES</b>								
Accounting fees	31,317	-	-	-	-	-	-	31,317
Legal fees	7,162	-	4,903	559	768	-	932	-
Supplies	11,969	-	1,672	748	939	415	3,460	4,735
Telephone	33,301	-	5,706	6,635	3,383	1,440	8,750	7,387
Postage & shipping	6,531	-	901	519	211	61	1,758	3,081
Rent	30,275	-	-	-	6,930	-	23,345	-
Equipment rental	4,087	-	1,438	123	-	-	2,526	-
Printing & publications	815	-	-	647	-	106	62	-
Travel	12,085	-	401	242	91	70	537	10,744
Conferences & meetings	118,783	-	17,800	10,399	8,232	10,776	9,813	61,763
Interest	7,240	-	6,765	-	-	-	-	475
Depreciation & amortization	46,288	-	22,872	5,025	1,429	2,656	11,532	2,774
Associations & periodicals	1,347	-	409	71	-	-	247	620
Bank charges	81,388	-	29,429	7,288	33,386	4,073	5,522	1,690
Insurance	15,051	-	-	-	-	-	-	15,051
List rental expenses	2,357	-	-	-	-	-	-	2,357
Other administrative	24,807	-	863	70	236	631	4,206	18,801
Property taxes	7,029	-	641	92	859	306	5,131	-
Repairs & maintenance - general	16,292	-	4,196	3,071	670	212	7,684	459
Special projects	33,824	-	-	-	-	-	-	33,824
Utilities	12,699	-	2,651	3,111	1,383	729	2,425	2,400
<b>TOTAL OTHER EXPENSES</b>	<b>504,647</b>	<b>-</b>	<b>100,647</b>	<b>38,600</b>	<b>59,517</b>	<b>21,475</b>	<b>87,930</b>	<b>197,478</b>
<b>TOTAL MANAGEMENT &amp; GENERAL EXPENDITURES</b>	<b>\$1,542,863</b>	<b>-</b>	<b>\$266,739</b>	<b>\$212,159</b>	<b>\$175,530</b>	<b>\$93,989</b>	<b>\$201,176</b>	<b>\$593,270</b>

The notes are considered an integral part of these financial statements.  
 GETZ, KRYCLER & JAKUBOVITS AN ACCOUNTANCY CORPORATION

PACIFICA FOUNDATION  
 SCHEDULE OF FUNDRAISING EXPENDITURES  
 FOR THE YEAR ENDED SEPTEMBER 30, 1994

	Totals	Eliminations	KPFA	KPFK	WBAI	KPFT	WPFW	National Office
<b>SALARIES AND RELATED EXPENSES</b>								
Salaries	\$415,113	-	\$141,288	\$107,487	\$64,389	\$26,404	\$25,519	\$50,026
Payroll taxes	38,379	-	13,050	9,476	5,614	2,576	3,116	4,547
Employee benefits	41,663	-	16,118	10,605	6,592	3,567	402	4,379
Consultants	75,086	-	5,816	2,100	-	-	67,170	-
<b>TOTAL SALARIES AND RELATED EXPENSES</b>	<b>570,241</b>	<b>-</b>	<b>176,272</b>	<b>129,668</b>	<b>76,595</b>	<b>32,547</b>	<b>96,207</b>	<b>58,952</b>
<b>OTHER EXPENSES</b>								
Legal fees	2,305	-	-	-	2,305	-	-	-
Supplies	8,455	-	1,910	408	2,816	679	1,046	1,596
Telephone	25,306	-	4,755	3,619	10,149	2,305	2,500	1,978
Postage & shipping	3,036	-	751	283	632	98	502	770
Rent	27,460	-	-	-	20,790	-	6,670	-
Equipment rental	1,988	-	1,199	67	-	-	722	-
Printing & publications	169	-	-	-	-	169	-	-
Travel	3,692	-	334	132	274	112	154	2,686
Conferences & meetings	671	-	-	-	-	-	-	671
Interest	5,638	-	5,638	-	-	-	-	-
Depreciation & amortization	35,980	-	19,060	2,741	4,287	4,249	3,295	2,348
Associations & periodicals	606	-	341	39	-	-	71	155
Computer supplies	8,516	-	1,415	-	5,482	1,254	-	365
Direct mail & telemarketing	293,921	-	105,247	76,417	33,618	1,456	61,308	15,875
Insurance	12,736	-	-	-	-	-	-	12,736
Other administrative	5,063	-	1,256	38	709	1,009	1,202	849
Other development	52,825	-	-	2,355	4,557	1,814	3,172	40,927
Postage & mailing services	107,884	-	65,994	20,365	14,910	4,500	2,115	-
Premiums & marathon	166,910	-	43,420	25,970	79,565	10,107	7,848	-
Printing	28,879	-	13,605	7,300	2,993	4,860	121	-
Property taxes	5,117	-	534	50	2,577	490	1,466	-
Repairs & maintenance - general	9,716	-	3,497	1,675	2,010	339	2,195	-
Special projects	22,986	-	22,933	-	-	53	-	-
Utilities	9,915	-	2,209	1,697	4,149	1,167	693	-
<b>TOTAL OTHER EXPENSES</b>	<b>839,774</b>	<b>-</b>	<b>294,098</b>	<b>143,156</b>	<b>191,823</b>	<b>34,661</b>	<b>95,080</b>	<b>80,956</b>
<b>TOTAL FUNDRAISING EXPENDITURES</b>	<b>\$1,410,015</b>	<b>-</b>	<b>\$470,370</b>	<b>\$272,824</b>	<b>\$268,418</b>	<b>\$67,208</b>	<b>\$191,287</b>	<b>\$139,908</b>

The notes are considered an integral part of these financial statements.  
 GETZ, KRYCLER & JAKUBOVITS AN ACCOUNTANCY CORPORATION

PACIFICA FOUNDATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	Totals	Eliminations	KPPA	KPPK	WBAI	KPFT	WPFW	National Office
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>								
Net income (loss)	(\$330,478)	-	(\$136,838)	(\$30,663)	\$230,001	(\$105,114)	(\$91,060)	(\$196,804)
Adjustments to reconcile net income to net cash provided by operating activities:								
Depreciation & amortization	363,075	-	190,602	45,682	28,582	26,557	41,187	30,465
In-kind contributions of equipment	(4,400)	-	(3,000)	-	-	-	(1,400)	-
(Increase) Decrease in accounts receivable	4,096	-	(13,013)	(10,000)	-	1,703	(13,747)	39,153
(Increase) Decrease in prepaid expenses	34,018	-	1,928	60	32,030	-	-	0
(Increase) Decrease in other assets	(2,991)	-	2,708	-	1,165	-	(813)	(6,051)
Increase (Decrease) in accounts payable and accrued expenses	200,845	-	24,849	57,595	65,076	(7,989)	19,237	42,077
Increase (Decrease) in deferred grant income	(74,931)	-	(68,855)	-	-	(2,182)	(3,894)	-
Increase (Decrease) in deferred income - other	(34,025)	-	(167)	-	(36,032)	-	-	2,174
Increase (Decrease) in deposits	(22,700)	-	-	(22,700)	-	-	-	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>132,509</b>	<b>-</b>	<b>(1,786)</b>	<b>39,974</b>	<b>320,822</b>	<b>(87,025)</b>	<b>(50,490)</b>	<b>(88,986)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>								
Acquisition of land, buildings & equipment	(211,653)	-	(7,057)	(21,158)	(111,723)	(3,364)	(51,848)	(16,503)
Increase in long-term investments	2,923	-	-	-	-	-	-	2,923
	(208,730)	-	(7,057)	(21,158)	(111,723)	(3,364)	(51,848)	(13,580)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>								
Decrease (Increase) in Inter-division receivables	-	12,776	-	-	-	-	-	(12,776)
Increase (Decrease) in Inter-division payables	-	(12,776)	(16,054)	(10,423)	(86,955)	66,950	59,258	-
Increase (Decrease) in loan payable - other	(996)	-	-	-	(30,000)	-	29,949	(945)
Increase (Decrease) in Long-term debt	(35,000)	-	(35,000)	-	-	-	-	-
	(35,996)	-	(51,054)	(10,423)	(116,955)	66,950	89,207	(13,721)
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(112,217)</b>	<b>-</b>	<b>(59,897)</b>	<b>8,393</b>	<b>92,144</b>	<b>(23,439)</b>	<b>(13,131)</b>	<b>(116,287)</b>
Cash and restricted cash at beginning of year	1,602,780	-	397,269	47,481	117,133	31,447	15,423	994,027
<b>Cash and restricted cash at end of year</b>	<b>\$1,490,563</b>	<b>-</b>	<b>\$337,372</b>	<b>\$55,874</b>	<b>\$209,277</b>	<b>\$8,008</b>	<b>\$2,292</b>	<b>\$877,740</b>

The notes are considered an integral part of these financial statements.  
GETZ, KRYCLER & JAKUBOVITS AN ACCOUNTANCY CORPORATION

PACIFICA FOUNDATION EXHIBIT D  
CONSOLIDATED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
AS AT SEPTEMBER 30,

=====

ASSETS -----	1994	1993
<b>CURRENT ASSETS</b>		
Cash in bank	\$132,708	\$298,471
Restricted cash	1,357,855	1,304,309
Accounts receivable	105,244	109,340
Prepaid expenses	66,282	100,300
<b>TOTAL CURRENT ASSETS</b>	<b>1,662,089</b>	<b>1,812,420</b>
 <b>PROPERTY AND EQUIPMENT</b>		
Land	632,428	632,428
Building and improvements	2,557,049	2,532,112
Equipment	3,818,504	3,766,573
Leasehold improvements	578,252	469,016
Furniture and fixtures	216,324	186,375
Motor vehicles	5,604	5,604
	7,808,161	7,592,108
Less: Accumulated depreciation	3,025,627	2,666,552
<b>PROPERTY AND EQUIPMENT, NET</b>	<b>4,782,534</b>	<b>4,925,556</b>
 <b>OTHER ASSETS</b>		
Station license, net of amortization of \$71,000	9,000	13,000
Other, including deposits	63,810	38,119
Program endowment, restricted	329,405	332,328
<b>TOTAL OTHER ASSETS</b>	<b>402,215</b>	<b>383,447</b>
 <b>TOTAL ASSETS</b>	<b>\$6,846,838</b>	<b>\$7,121,423</b>

PACIFICA FOUNDATION  
CONSOLIDATED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
AS AT SEPTEMBER 30,  
=====

	1994	1993
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$510,407	\$309,554
Loans payable - other	4,499	30,945
Deferred grant income	10,933	85,864
Loans payable - Bank - current portion	35,000	35,000
Deferred income - other	178,881	212,906
Deposits	1,200	1,200
TOTAL CURRENT LIABILITIES	740,920	675,469
LONG-TERM DEBT, NET OF CURRENT MATURITIES	642,909	652,459
 TOTAL LIABILITIES	 1,383,829	 1,327,928
COMMITMENTS AND CONTINGENCIES	-	-
FUND BALANCE (Exhibit E)	5,463,009	5,793,495
 TOTAL LIABILITIES AND FUND BALANCE	 \$6,846,838	 \$7,121,423

PACIFICA FOUNDATION  
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES AND FUND BALANCE  
FOR THE YEAR ENDED SEPTEMBER 30,  
=====

	1994	1993
REVENUE		
Listener support / Donations	\$4,598,687	\$4,412,970
Grants	1,447,090	1,793,001
Community events	602,403	610,112
SCA income	747,617	741,200
Miscellaneous	401,216	425,657
	7,797,013	7,982,940
DONATED SERVICES, MATERIALS AND FACILITIES (Schedule E-I)	337,471	315,432
TOTAL REVENUE	8,134,484	8,298,372
EXPENDITURES		
Program services	4,763,300	4,368,172
Management & general	1,542,863	1,561,807
Fund raising	1,410,015	1,252,479
Community events	411,313	430,931
TOTAL EXPENDITURES	8,127,491	7,613,389
DONATED SERVICES, MATERIALS AND FACILITIES (Schedule E-I)	337,471	315,432
TOTAL EXPENSES	8,464,962	7,928,821
EXCESS OF REVENUE OVER EXPENSES	(330,478)	369,551
FUND BALANCE - Beginning of year	5,793,487	5,423,936
FUND BALANCE - End of year	\$5,463,009	\$5,793,487

The notes are considered an integral part of these financial statements.  
GETZ, KRYCLER & JAKUBOVITS AN ACCOUNTANCY CORPORATION

PACIFICA FOUNDATION  
CONSOLIDATED SCHEDULE OF DONATED SERVICES, MATERIALS AND FACILITIES  
FOR THE YEAR ENDED SEPTEMBER 30,  
=====

	<u>1994</u>	<u>1993</u>
DONATED SERVICES, MATERIALS AND FACILITIES		
Accounting & legal	\$14,104	\$28,134
Technical	60,105	139,631
Fund raising and development	34,016	2,845
Programming service	224,034	128,192
Operating expenses	5,212	15,200
Other professional services	-	1,430
TOTAL DONATED SERVICES AND MATERIALS EXCLUDING EQUIPMENT	<u>\$337,471</u>	<u>\$315,432</u>
 DONATED EQUIPMENT		
Equipment (included in listener support/donations)	<u>\$35,413</u>	<u>\$8,758</u>

The notes are considered an integral part of these financial statements.  
GETZ, KRYCLER & JAKUBOVITS AN ACCOUNTANCY CORPORATION

PACIFICA FOUNDATION  
CONSOLIDATED STATEMENT OF CASH FLOWS  
AS AT SEPTEMBER 30,  
=====

	1994	1993
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	(\$330,478)	\$369,559
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation & amortization	\$363,075	\$355,206
In-kind contributions of equipment	(4,400)	-
(Increase) Decrease in accounts receivable	4,096	43,311
(Increase) Decrease in prepaid expenses	34,018	(15,447)
(Increase) Decrease in other assets	(2,991)	7,034
Increase*(Decrease) in accounts payable and accrued expenses	200,845	(13,496)
Increase (Decrease) in deferred grant income	(74,931)	12,045
Increase (Decrease) in deferred income - other	(34,025)	(22,837)
Increase (Decrease) in deposits	(22,700)	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>132,509</b>	<b>735,375</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Acquisition of land, buildings & equipment	(211,653)	(379,252)
Increase in long-term investments	2,923	(11,945)
	(208,730)	(391,197)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Increase (Decrease) in loan payable - other	(996)	(7,829)
Increase (Decrease) in Long-term debt	(35,000)	(35,000)
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>(35,996)</b>	<b>(142,829)</b>
 <b>NET INCREASE (DECREASE) IN CASH</b>	 <b>(112,217)</b>	 <b>201,349</b>
 Cash and restricted cash at beginning of year	 1,602,780	 1,401,431
Cash and restricted cash at end of year	\$1,490,563	\$1,602,780



PACIFICA FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 1 - ORGANIZATION

Organization and Description of Operations

Pacifica Foundation was organized in 1949 and currently operates, on a non-profit basis, five FM radio stations maintaining a program tape library which is used to sell and rent taped programs.

The financial statements include the operations of the following stations:

Radio Station - KPFA - Berkeley, California  
Radio Station - KPFK - Los Angeles, California  
Radio Station - KPFT - Houston, Texas  
Radio Station - WBAL - New York, New York  
Radio Station - WPFW - Washington, D.C.  
Pacifica Foundation National Office (including Pacifica Program Service) - Los Angeles, California

All significant inter-division accounts have been eliminated.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income Recognition from Grants and Earmarked Funds

Funds received under grants from various governmental agencies and private sources are shown as deferred income when received. These amounts are recorded as income when the funds are disbursed in order to more closely match revenue with the related expenditure.

Income Taxes

The Foundation has qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

Intangible Assets

The cost of a broadcasting license is being amortized on a straight-line method over 20 years from the date of acquisition (1977). Amortization charged to operations amounted to \$4,000 in the year ended September 30, 1994 and \$4,000 in the year ended September 30, 1993. (Radio station - WPFW).

The foundation also owns the broadcasting licenses of its other four stations. These licenses were acquired at no cost to the Foundation.

PACIFICA FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Equipment pertaining to radio stations WBAI-FM-New York and KPFA-FM-Berkeley in the amounts of \$373,598 and \$328,606 respectively are stated at appraisal value discounted to cost. The balance of the property and equipment amounting to \$7,105,957 and \$6,889,904 at September 30, 1994 and 1993 respectively has been supported by invoices and checks. Expenditures for individual building improvements and equipment in excess of \$300 are capitalized; the estimated fair value (generally appraisal value) of donated fixed assets is similarly capitalized. Depreciation on these assets is being provided by straight-line method over the estimated useful lives of the assets.

Donated Services, Materials and Facilities

In-kind contributions of services, materials and facilities represent individually provided professional services valued at the donor's normal compensation to the general public. These services typically consist of legal and accounting service, advertising, professional contract services and program function. These contributions have been valued at the fair market value of the services to the general public.

Financial Statement Format - Statement of Revenue and Expenses and Fund Balance

The format of the Statement of Revenue and Expenses and Fund Balance and the related supporting schedules was changed beginning in the year ended September 30, 1992. In order to conform to Non-profit entity reporting standards, expenses have been allocated to specific categories under the following major groups: Program Expenditures, Fundraising and Development, and General and Administrative. Allocations of operating expenses are based on personnel costs and use of space as appropriate.

NOTE 3 - RESTRICTED CASH

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, and various funds earmarked by Pacifica's Board of Directors for specific projects.

PACIFICA FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 3 - LOANS PAYABLE, CONTRACTS PAYABLE, LONG-TERM DEBT

Loans Payable - Other, consisted of the following:

	<u>September 30, 1994</u>		<u>September 30, 1993</u>	
	<u>Current</u>	<u>Long-Term</u>	<u>Current</u>	<u>Long-Term</u>
<u>National Office</u>				
Lease payable, secured by equipment, bearing interest at 21.9% per annum, principle and interest due in monthly installments of \$118. The final payment is due January 1996.	\$ 1,174	\$ 452	\$ 945	\$ 1,626
<u>WPFW-FM</u>				
Lease payable, secured by equipment, bearing interest at 12.7% per annum, principle and interest due in monthly installments of \$667. The final payment is due December 1999.	3,325	26,624	-	-
<u>WBAI-FM</u>				
Loan payable, unsecured, bearing interest at 5%, due in 1987. This loan plus accrued interest was forgiven by the debtor in 1994 and recorded as income in the fiscal year ended September 30, 1994.	-	-	30,000	-
Total Loans Payable - Other	<u>4,499</u>	<u>27,076</u>	<u>30,945</u>	<u>1,626</u>
Loan Payable - Bank, consisted of the following:				
<u>KPFA-FM</u>				
A 15-year real estate loan secured by land, building and equipment (except for equipment & fixtures funded by an NTIA Grant). The terms of the loan call for monthly repayments of principle on a fixed schedule and monthly payments of interest at the bank's prime rate plus 1% with a 10.5% cap and a 7% floor. The interest rate at September 30, 1994 was 8.75%.	35,000	615,833	35,000	650,833
Total Loan Payable - Bank	<u>35,000</u>	<u>615,833</u>	<u>35,000</u>	<u>650,833</u>
TOTAL LOANS PAYABLE, CONTRACTS PAYABLE, LONG-TERM DEBT	<u>\$39,499</u>	<u>\$642,909</u>	<u>\$65,945</u>	<u>\$652,459</u>

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 5 - LISTENER SUPPORT/DONATIONS

Included in Listener support/Donation income of Radio Station KPFA for the year ended September 30, 1994 is \$98,582 (donated in relation to a capital campaign for the purpose of building the new offices and studios in Berkeley, California).

NOTE 6 - GRANT REVENUE

Grant Revenue was recognized from the following sources:

For the fiscal year ended September 30, 1994:

	<u>Total</u>	Corporation For Public Broadcasting (see below)	<u>Other Federal</u>	<u>City State and other</u>
KPFA	\$ 601,463	\$ 350,465	-	\$250,998
KPFK	185,333	175,333	-	10,000
WBAI	335,031	330,731	-	4,300
KPFT	90,285	88,103	-	2,182
WPFW	189,978	153,203	-	36,775
National Office	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>45,000</u>
	<u>\$1,447,090</u>	<u>\$1,097,835</u>	<u>-</u>	<u>\$349,255</u>

For the fiscal year ended September 30, 1993:

	<u>Total</u>	Corporation For Public Broadcasting (see below)	<u>Other Federal</u>	<u>City State and other</u>
KPFA	\$ 791,801	\$ 526,777	\$ 3,000	\$262,024
KPFK	201,546	195,208	-	6,338
WBAI	302,107	287,807	-	14,300
KPFT	122,072	106,426	-	15,646
WPFW	257,986	213,478	34,508	10,000
National Office	<u>117,489</u>	<u>62,544</u>	<u>15,000</u>	<u>39,945</u>
	<u>\$1,793,001</u>	<u>\$1,392,240</u>	<u>\$52,508</u>	<u>\$348,253</u>

Federal funding for the corporation for public broadcasting has been budgeted through September 1995. Such funding is currently under review by the Federal government, and proposals have been made to cut back or eliminate entirely these funds.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 6 - GRANT REVENUE (continued)

Grant revenue recognized as income includes amounts deferred at September 30, 1992 and 1993, and excludes amounts deferred at September 30, 1993 and 1994 for the years ended September 30, 1993 and 1994 respectively.

Grant revenue is received for both capital equipment acquisition and station operations.

NOTE 7 - LEASE COMMITMENTS, OFFICES AND FACILITIES

The foundation leases offices and operating facilities under operating leases providing for minimum future rentals at WBAI-FM and WPFW-FM.

Generally, the leases provide that insurance, maintenance and taxes are to be paid by the lessee.

Net rental expense charged to operations for the year ended September 30, 1994 and September 30, 1993 amounted to \$248,060 and \$221,549.

The future minimum rental payments under leases with remaining non-cancelable terms in excess of one year are:

STUDIO RENT

<u>Fiscal Year Ended</u>	<u>Total</u>	<u>WPFW</u>	<u>WBAI</u>	<u>KPFK</u>
9/30/95	\$259,740	\$119,556	\$140,184	-
9/30/96	233,172	92,988	140,184	-
9/30/97	140,184	-	140,184	-
9/30/98	93,456	-	93,456	-
9/30/99	-	-	-	-
Subsequent	-	-	-	-
	<u>\$726,552</u>	<u>\$212,544</u>	<u>\$514,008</u>	<u>-</u>

TOWER RENT

<u>Fiscal Year Ended</u>	<u>Total</u>	<u>WPFW</u>	<u>WBAI</u>	<u>KPFK</u>
9/30/95	\$ 205,703	\$ 18,048	\$ 150,960	\$36,695
9/30/96	184,298	18,048	150,960	15,290
9/30/97	169,008	18,048	150,960	-
9/30/98	169,008	18,048	150,960	-
9/30/99	169,008	18,048	150,960	-
Subsequent	684,788	18,048	666,740	-
	<u>1,581,813</u>	<u>108,288</u>	<u>1,421,540</u>	<u>51,985</u>
TOTAL	<u>\$2,308,365</u>	<u>\$320,832</u>	<u>\$1,935,548</u>	<u>\$51,985</u>

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 8 - EQUIPMENT RENTAL

Included in equipment rental for the years ended September 30, 1994 and 1993 are the following:

WBAI-FM

WBAI is currently obligated under a radio tower rental agreement entered into in January, 1992 for 14 years at a monthly rental subject to annual cost of living adjustments. The monthly rental as of September 30, 1994 was \$12,580 (\$150,960 per annum).

WPFW-FM

WPFW is currently obligated under a radio tower rental agreement entered on January 1, 1988 for fourteen years at a monthly rental subject to annual cost of living adjustments. The monthly rental for the year ended September 30, 1993 was \$1,504 (\$18,048 per annum).

KPFT-FM

KPFT is currently obligated under a radio tower rental agreement entered into in March 1992 for five years at a monthly rental of \$3,058 (\$36,696 per annum).

PACIFICA FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 9 - MISCELLANEOUS INCOME

Miscellaneous income for the year ended September 30, 1994, consisted of the following:

	<u>Total</u>	<u>KPFA</u>	<u>KPFK</u>	<u>WBAI</u>	<u>KPFT</u>	<u>WPFW</u>	<u>National Office</u>
Tape sales (recorded programs)	\$ 79,616	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,616
Rental of mailing lists	46,795	-	-	-	-	-	46,795
Rental of premises (net)	58,360	57,460	900	-	-	-	-
Interest	81,594	18,447	1,390	1,156	182	216	60,203
Radio news feeds	112,955	-	-	-	-	-	112,955
Program guide advertising	15,669	12,366	625	2,678	-	-	-
Miscellaneous	<u>18,227</u>	<u>12,657</u>	<u>1,760</u>	<u>1,676</u>	<u>691</u>	<u>-</u>	<u>1,443</u>
	413,216	100,930	4,675	5,510	873	216	301,012
Eliminations	( <u>12,000</u> )	( <u>12,000</u> )	-	-	-	-	-
	<u>\$401,216</u>	<u>\$ 88,930</u>	<u>\$ 4,675</u>	<u>\$5,510</u>	<u>\$873</u>	<u>\$216</u>	<u>\$301,012</u>

Miscellaneous income for the year ended September 30, 1993, consisted of the following:

	<u>Total</u>	<u>KPFA</u>	<u>KPFK</u>	<u>WBAI</u>	<u>KPFT</u>	<u>WPFW</u>	<u>National Office</u>
Tape sales (recorded programs)	\$ 99,173	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,173
Rental of mailing lists	59,395	-	-	-	-	-	59,395
Rental of premises (net)	56,602	54,297	1,305	-	-	1,000	-
Interest	68,550	12,497	3,003	512	739	422	51,377
Radio news feeds	94,416	-	-	-	-	-	94,416
Program guide advertising	31,088	26,964	1,020	3,104	-	-	-
Miscellaneous	<u>28,629</u>	<u>13,176</u>	<u>1,283</u>	<u>166</u>	<u>1,426</u>	<u>1,495</u>	<u>11,083</u>
	437,853	106,934	6,611	3,782	2,165	2,917	315,444
Eliminations	( <u>12,196</u> )	( <u>12,000</u> )	-	-	-	-	( <u>196</u> )
	<u>\$425,657</u>	<u>\$ 94,934</u>	<u>\$ 6,611</u>	<u>\$3,782</u>	<u>\$2,165</u>	<u>\$2,917</u>	<u>\$315,248</u>

PACIFICA FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 10 - SCA INCOME

Pacifica Foundation entered into subcarrier agreements in March 1984, whereby outside companies would be allowed to use a portion of certain Pacifica station's basebands 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 agreement, some of the leases have expired, some have renewed, and various additional agreements have been entered into.

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.

Pacifica Foundation 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~~ was ~~RESPECTED~~ to the IRS. The respnTED

Donated services, materials and facilities, shown in these financial statements, consist of amounts of support received for the years ended September 30, 1994 and 1993, by individuals and organizations supplying their regular professional services, materials and facilities.

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



PACIFICA FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 11 - DONATED SERVICES - VOLUNTEERS (Continued)

The amount of these volunteer services, limited for matching purposes for Corporation for Public Broadcasting (CPB) to five percent of the non-federal financial support is as follows for the years ended September 30, 1994 and September 30, 1993:

	<u>1994</u>	<u>1993</u>
KPFA	\$108,943	\$112,982
KPFK	57,299	46,009
WBAI	104,606	91,217
KPFT	17,516	23,596
WPFW	<u>22,966</u>	<u>24,090</u>
	<u>\$311,330</u>	<u>\$297,894</u>

This amount, as stated, has been limited to the five percent maximum set by the CPB.

The actual amount of donated personal services of volunteers, when based on the recorded hours and based on the rates approved by the CPB is in excess of \$311,330 and \$297,894 for the years ended September 30, 1994 and 1993 respectively.

NOTE 12 - PROPERTY AND EQUIPMENT

Included in the property and equipment as held at September 30, 1994 and September 30, 1993 is certain technical equipment acquired with the assistance of government grants.

In accordance with the regulations of these grants, the Federal Government retains interest in these assets for a period of 10 years following the completion of the grant.

PACIFICA FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 12 - PROPERTY AND EQUIPMENT (Continued)

At September 30, 1994, the following assets were owned:

	<u>Approximate Cost</u>	<u>End of 10 Year Period</u>
KPFA (a)	\$221,635	2001
(b)	35,077	2003
(c)	3,000	2004
KPFT	118,000	1997
WPFW (a)	24,504	2003
(b)	26,442	1997
(c)	34,508	2004
National Office/PRN	94,318	1997
National Office/PPS/PRA	11,502	1997
National Office	<u>15,000</u>	2004
	<u>\$583,986</u>	

NOTE 13 - CENTRAL SERVICES

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

NOTE 14 - DEFERRED INCOME - OTHER

Deferred income at September 30 consisted of the following:

	<u>1994</u>	<u>1993</u>
<u>National Office</u>		
Prepayments on tape sales	\$ 11,978	\$ 9,804
Prepayment of SCA contract	25,000	25,000
<u>WBAI-FM AND KPFA-FM</u>		
Deposits collected and held from vendors for December 1994 and 1993 Christmas Crafts Fair	<u>141,903</u>	<u>178,102</u>
	<u>\$178,881</u>	<u>\$212,906</u>

PACIFICA FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

NOTE 14 - DEFERRED INCOME - OTHER (Continued)

Amounts of \$51,014 and \$95,304 of expenses of WBAI and KPFA relating to the December 1994 and 1993 Christmas Crafts Fair are included in prepaid expenses.

NOTE 15 - DEPOSITS

Deposits at September 30, 1994 include security deposits held by KPFA related to tenants leasing various property acquired during the year ended September 30, 1991.

NOTE 16 - PROGRAM ENDOWMENT, RESTRICTED

In April, 1991 Pacifica received a donation which the grantor and Pacifica's Board intended be held as an endowment. It is management's intention to invest the endowment in various long-term equities. A portion of the annual investment income is intended to be used for various Pacifica activities while the remainder is intended to be retained and used to increase the endowment's "principle". The endowment is recorded on the books at cost. The current value of the endowment, stated at the fair market value, is \$308,626 (net of amortized bond premium of \$1,491).

NOTE 17 - PENDING LEGAL MATTERS

Communications Attorneys

Pacifica's communications attorneys have advised management that there are no pending or threatened litigations, claims, or assessments or other contingencies as to which they are aware of.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993NOTE 18 - CHARITABLE REMAINDER TRUST

In December 1990 Pacifica was named trustees and principle beneficiaries of a charitable remainder trust. The terms of the trust call for monthly percentage of principle payments to named income beneficiaries. Required monthly payments are to be paid first out of trust income, then out of trust principle, with any excess trust income added to principle. 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 assets revert to Pacifica Foundation. The market value of trust assets at September 30, 1994 was \$114,059.