

SACRAMENTO COMMUNITY CABLE FOUNDATION
DBA ACCESS SACRAMENTO

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1995 AND 1994

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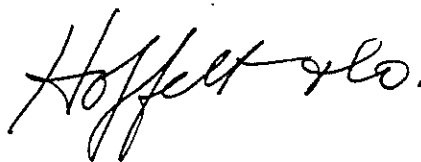
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To The Board of Directors
Sacramento Community Cable Foundation
dba Access Sacramento

We have audited the accompanying balance sheets of Sacramento Community Cable Foundation, dba Access Sacramento (a nonprofit organization) as of June 30, 1995 and 1994, and the related statements of activity, changes in fund balance, and cash flows for the years 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 our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 Sacramento Community Cable Foundation as of June 30, 1995 and 1994, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.



October 12, 1995

SACRAMENTO COMMUNITY CABLE FOUNDATION
DBA ACCESS SACRAMENTO

BALANCE SHEET

ASSETS

	JUNE 30	
	1995	1994
CURRENT ASSETS		
Cash in bank	\$199,767	\$ 84,990
Accounts receivable	4,001	1,500
Total current assets	203,768	86,490
PROPERTY AND EQUIPMENT		
Furniture and equipment	581,943	543,069
Less accumulated depreciation	478,900	445,138
Net property and equipment	103,043	97,931
Total assets	\$306,811	\$184,421

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES		
Accounts payable	\$ 4,794	\$ 13,712
Accrued vacation	8,877	7,890
Current portion of long-term debt	6,372	2,440
Total current liabilities	20,043	24,042
LONG-TERM DEBT	11,549	10,617
FUND BALANCE	275,219	149,762
Total liabilities and fund balance	\$306,811	\$184,421

See notes to financial statements.

SACRAMENTO COMMUNITY CABLE FOUNDATION
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STATEMENT OF ACTIVITY

	YEAR ENDED JUNE 30	
	1995	1994
REVENUE		
Grant and operating revenues	\$653,435	\$ 513,400
Interest income	5,420	2,692
Total revenue	658,855	516,092
EXPENSES		
Salaries, benefits, employer taxes	359,848	323,882
Building rent	30,571	28,829
Insurance	14,400	15,992
Office supplies	5,971	5,412
Telephone	5,590	4,609
Security	2,400	2,486
Postage and delivery	2,445	3,596
Printing and program guide	8,830	4,471
Community relations	2,957	1,363
Accounting and bookkeeping	15,965	13,026
Legal	4,000	14,138
Consultants		562
Conferences and seminars		2,177
Travel	2,308	1,353
Equipment and maintenance	8,660	8,843
Depreciation expense	33,762	27,732
Fund raising	14,803	5,337
Mobile unit expenses	1,290	2,169
Grants and scholarships	4,897	2,722
Recordings tape stock	3,634	5,252
Other	1,896	1,362
Utilities	6,009	6,585
Interest	3,162	1,431
Total expenses	533,398	483,329
Net excess of revenues over expenses	\$125,457	\$ 32,763

See notes to financial statements.

SACRAMENTO COMMUNITY CABLE FOUNDATION
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STATEMENT OF CHANGES IN FUND BALANCE

	<u>YEAR ENDED JUNE 30</u>	
	1995	1994
FUND BALANCE, BEGINNING OF YEAR	\$149,762	\$116,999
Excess of revenues over expenses	<u>125,457</u>	<u>32,763</u>
FUND BALANCE, END OF YEAR	<u>\$275,219</u>	<u>\$149,762</u>

See notes to financial statements.

SACRAMENTO COMMUNITY CABLE FOUNDATION
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STATEMENT OF CASH FLOW

	YEAR ENDED JUNE 30	
	1995	1994
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenue over expenses	\$125,457	\$ 32,763
Adjustments to reconcile excess of expenses over revenue to net cash provided by operating activities		
Depreciation	33,762	27,732
Decrease (increase) in accounts receivable	(2,501)	5,100
Decrease in prepaid expenses		
Increase (decrease) in accounts payable	(8,918)	6,299
Increase (decrease) in accrued vacation	<u>987</u>	<u>101</u>
Net cash used by operating activities	<u>148,787</u>	<u>71,995</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	<u>(28,007)</u>	<u>(46,797)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capitalized lease	<u>(6,003)</u>	<u>(1,627)</u>
Net increase in cash	114,777	23,571
CASH, BEGINNING OF YEAR	<u>84,990</u>	<u>61,419</u>
CASH, END OF YEAR	<u>\$199,767</u>	<u>\$ 84,990</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the year for interest	<u>\$ 3,162</u>	<u>\$ 1,431</u>
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SUPPLEMENTAL SCHEDULE OF NONCASH INTEREST AND
FINANCING TRANSACTIONS

Capital lease on new equipment	<u>\$ 10,867</u>	<u>\$ 14,684</u>
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See notes to financial statements.

SACRAMENTO COMMUNITY CABLE FOUNDATION
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1995 AND 1994

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Sacramento Community Cable Foundation dba Access Sacramento (the Foundation) is a publicly supported organization, incorporated in 1984. The Foundation's objective is to support, manage, produce and distribute noncommercial, community-based media programs.

Basis of Accounting

The accounts of the Foundation are maintained on the basis of cash receipts and disbursements; however, the accompanying financial statements have been adjusted to reflect the accrual basis of accounting.

Income Taxes

The organization is exempt from income taxes under the provisions of the Internal Revenue Code Section 501(c)(3), and franchise taxes under the provisions of the California Revenue and Taxation Code Section 23701d except as they may be levied under unrelated business income.

Furniture and Equipment

Furniture and equipment purchased by the Foundation are recorded at cost. The Foundation uses the straight-line method in computing depreciation over the estimated useful lives of the related assets of 5 years.

NOTE 2 - OPERATING LEASE COMMITMENT

The Foundation leases office and production space under a noncancelable operating lease expiring in August 1997. Rent expense for the twelve months ended June 30, 1995 and 1994 were \$30,751 and \$28,829, respectively. Future minimum rental payments under this operating lease are as follows:

Year ended June 30,	Minimum Rental Payment
1996	\$26,775
1997	<u>4,462</u>
Total	<u>\$31,237</u>

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1995 AND 1994

NOTE 3 - LONG-TERM DEBT

	1995	1994
Long-term debt consists of the following:		
Capitalized lease obligations payable in monthly installments of \$711, for 1995 and \$338 for 1994 including interest, secured by equipment	\$17,921	\$13,057
Less current portion	<u>6,372</u>	<u>2,440</u>
	<u>\$11,549</u>	<u>\$10,617</u>

The following is a schedule of the aggregate maturities of long-term debt as of June 30, 1995:

Year ending June 30,

1996	\$ 6,372
1997	6,912
1998	3,647
1999	<u>990</u>
	<u>\$17,921</u>

NOTE 4 - SUBSEQUENT EVENTS

The Foundation entered into a real property lease during July, 1994. The lease is for a five year term, with total rental payments of \$1,626,000. There are certain conditions that the lessor and lessee are required to meet in order for the lease to become binding. As of October 12, 1995, some of the required conditions had not been met.