

**KNAU RADIO**  
**(A Public Telecommunications Entity of Northern Arizona University)**

**STATEMENTS OF NET POSITION**

June 30, 2013 and 2012

	<u><b>ASSETS</b></u>	
	<u><b>2013</b></u>	<u><b>2012</b></u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 944,438	\$ 983,579
Restricted cash	-	10,620
Investments	955,635	750,701
Accounts receivable, net	76,991	126,668
Other current assets	<u>3,485</u>	<u>4,030</u>
<b>TOTAL CURRENT ASSETS</b>	<b>1,980,549</b>	<b>1,875,598</b>
CONTRACT RECEIVABLE - GIFT ANNUITY	12,436	7,386
CAPITAL ASSETS, net	<u>117,793</u>	<u>143,591</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,110,778</u></b>	<b><u>\$ 2,026,575</u></b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 8,395	\$ 16,461
Accrued vacation	25,754	29,155
Deferred revenue	<u>7,908</u>	<u>16,232</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>42,057</b>	<b>61,848</b>
<b>NET POSITION</b>		
Invested in capital assets	117,793	143,591
Restricted	-	10,620
Unrestricted	<u>1,950,928</u>	<u>1,810,516</u>
<b>TOTAL NET ASSETS</b>	<b><u>2,068,721</u></b>	<b><u>1,964,727</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 2,110,778</u></b>	<b><u>\$ 2,026,575</u></b>

**KNAU RADIO**  
**(A Public Telecommunications Entity of Northern Arizona University)**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

Years Ended June 30, 2013 and 2012

	<b>2013</b> <b>(as restated)</b>	<b>2012</b>
<b>OPERATING REVENUES</b>		
Grants and contracts	\$ 261,064	\$ 295,142
In-kind contributions	8,876	30,368
<b>TOTAL OPERATING REVENUES</b>	<b>269,940</b>	<b>325,510</b>
<b>OPERATING EXPENSES</b>		
Program services		
Programming and production	837,154	745,788
Broadcasting	242,478	229,261
<b>Total program services</b>	<b>1,079,632</b>	<b>975,049</b>
Supporting services		
Management and general	266,233	270,371
Northern Arizona University donated institutional support	366,874	306,870
Fundraising	227,634	221,532
Underwriting	241,210	256,611
<b>Total supporting services</b>	<b>1,101,951</b>	<b>1,055,384</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>2,181,583</b>	<b>2,030,433</b>
<b>OPERATING LOSS</b>	<b>(1,911,643)</b>	<b>(1,704,923)</b>
<b>NON-OPERATING REVENUES</b>		
General appropriations from Northern Arizona University	428,661	432,900
Donated facilities and administrative support from Northern Arizona University	399,341	340,039
Subscriptions, memberships and gifts	570,351	633,620
Bequests and restricted major gifts	5,050	1,750
Underwriting	500,775	484,065
Events	-	10,000
Net investment income	104,934	8,219
Other income	6,525	11,525
<b>TOTAL NON-OPERATING REVENUES</b>	<b>2,015,637</b>	<b>1,922,118</b>
<b>INCREASE IN NET POSITION</b>	<b>103,994</b>	<b>217,195</b>
<b>NET POSITION BEGINNING OF YEAR</b>	<b>1,964,727</b>	<b>1,747,532</b>
<b>NET POSITION END OF YEAR</b>	<b>\$ 2,068,721</b>	<b>\$ 1,964,727</b>

**KNAU RADIO**  
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**STATEMENTS OF CASH FLOWS**

Years Ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
	<u>(as restated)</u>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Grants and contracts	\$ 269,388	\$ 292,500
Payments to employees	(853,467)	(872,689)
Payments to suppliers	(904,735)	(719,944)
Net cash used by operating activities	<u>(1,488,814)</u>	<u>(1,300,133)</u>
 <b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
General appropriation from Northern Arizona University	428,661	432,900
Subscriptions and memberships	605,816	608,034
Underwriting	508,987	474,346
Events	-	10,000
Net investment income	35,067	19,144
Other income	6,525	11,525
Net cash provided by non-capital financing activities	<u>1,585,056</u>	<u>1,555,949</u>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of capital assets	<u>(10,936)</u>	<u>(34,840)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	<u>(135,067)</u>	<u>(19,144)</u>
 <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>(49,761)</u>	<u>201,832</u>
<b>CASH AND CASH EQUIVALENTS (including restricted cash), BEGINNING OF YEAR</b>	<u>994,199</u>	<u>792,367</u>
<b>CASH AND CASH EQUIVALENTS (including restricted cash), END OF YEAR</b>	<u>\$ 944,438</u>	<u>\$ 994,199</u>
 <b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>		
Operating loss	(1,911,643)	(1,704,923)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Donated facilities and administrative support	399,341	340,039
Depreciation expense	36,734	40,331
Change in assets and liabilities:		
Accounts receivable, net	6,000	5,000
Other current assets	545	4,880
Accounts payable	(8,066)	12,676
Accrued vacation	(3,401)	(778)
Deferred revenue	(8,324)	2,642
 <b>NET CASH USED BY OPERATING ACTIVITIES</b>	<u>\$ (1,488,814)</u>	<u>\$ (1,300,133)</u>
 <b>SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES:</b>		
Donated facilities and administrative support	<u>\$ 399,341</u>	<u>\$ 340,039</u>
In-kind donated supplies	<u>\$ 8,876</u>	<u>\$ 30,368</u>