

**BACK PORCH RADIO BROADCASTING, INC.**

**FINANCIAL STATEMENTS WITH  
SUPPLEMENTARY INFORMATION**

June 30, 2007 and 2006

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Back Porch Radio Broadcasting, Inc.  
Madison, Wisconsin

We have audited the accompanying statements of financial position of Back Porch Radio Broadcasting, Inc. as of June 30, 2007 and 2006, and the related statements of activities 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 audits.

We conducted our audits 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 the 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 Back Porch Radio Broadcasting, Inc. as of June 30, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Wegner LLP  
December 11, 2007



**BACK PORCH RADIO BROADCASTING, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 203,229	\$ 250,002
Certificates of deposit	-	157,991
Accounts receivable	2,925	13,135
Pledges receivable	39,250	45,590
Prepaid expenses	11,854	11,789
Inventory	<u>11,663</u>	<u>10,691</u>
Total current assets	268,921	489,198
<b>PROPERTY AND EQUIPMENT</b>		
Land	13,000	13,000
Buildings and improvements	196,704	196,704
Broadcasting and station equipment	<u>423,258</u>	<u>425,899</u>
Property and equipment	632,962	635,603
Less accumulated depreciation	<u>477,098</u>	<u>454,475</u>
Property and equipment - net	155,864	181,128
Land held for resale	9,500	-
Investments	<u>224,323</u>	-
<b>Total assets</b>	<u><u>\$ 658,608</u></u>	<u><u>\$ 670,326</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 3,592	\$ 428
Accrued expenses	14,488	13,203
Deferred revenue	4,913	5,273
Bonds payable	<u>2,250</u>	<u>2,250</u>
Total liabilities	25,243	21,154
<b>NET ASSETS</b>		
Undesignated	246,457	270,587
Board designated	<u>375,000</u>	<u>375,000</u>
Total unrestricted	621,457	645,587
Temporarily restricted	<u>11,908</u>	<u>3,585</u>
Total net assets	<u>633,365</u>	<u>649,172</u>
<b>Total liabilities and net assets</b>	<u><u>\$ 658,608</u></u>	<u><u>\$ 670,326</u></u>

See accompanying notes.