

**National Capital Freenet
Statement of Revenue, Expenses, and Surplus
Period ended as stated**

	Actuals Jan-02	Budget Jan-02	Actuals YTD 2002	Budget YTD 2002
Revenue				
Donations from members				
Associated with registration	\$1,769	\$2,370	\$1,769	\$2,370
Associated with renewals	\$18,340	\$12,531	\$18,340	\$12,531
Total member donations	<u>\$20,109</u>	<u>\$14,901</u>	<u>\$20,109</u>	<u>\$14,901</u>
Fundraising Activities				
Corporate donations & sponsorships	\$1,764	\$800	\$1,764	\$800
Other fundraising activities	\$0	\$0	\$0	\$0
Total fundraising activities	<u>\$1,764</u>	<u>\$800</u>	<u>\$1,764</u>	<u>\$800</u>
Grants and other revenues				
Deferred contributions	\$0	\$0	\$0	\$0
Total operating revenue	<u>\$21,873</u>	<u>\$15,701</u>	<u>\$21,873</u>	<u>\$15,701</u>
Community Networks Projects (see below)				
Total operating and project revenue	<u>\$8,526</u>	<u>\$28,362</u>	<u>\$8,526</u>	<u>\$28,362</u>
Expenses				
System access telecommunications	\$5,312	\$5,350	\$5,312	\$5,350
System administration	\$2,898	\$1,478	\$2,898	\$1,478
Office staff and supplies	\$3,370	\$3,276	\$3,370	\$3,276
Volunteer Coordination	\$100	\$42	\$100	\$42
Administration and professional fees	\$5,609	\$3,342	\$5,609	\$3,342
Promotional and other costs	\$0	\$0	\$0	\$0
Depreciation	\$0	\$0	\$0	\$0
Total operating expenses	<u>\$17,289</u>	<u>\$13,487</u>	<u>\$17,289</u>	<u>\$13,487</u>
Related to Community Network Projects (see below)				
Total operating and project expenses	<u>\$8,699</u>	<u>\$28,012</u>	<u>\$8,699</u>	<u>\$28,012</u>
Excess of revenue over expenses				
Surplus, beginning of period	\$4,411	\$2,564	\$4,411	\$2,564
Surplus, end of period	<u>\$38,726</u>	<u>\$50,503</u>	<u>\$38,726</u>	<u>\$50,503</u>

**National Capital Freenet
Net Revenue from Community Projects**

	Actuals Jan-02	Budget Jan-02	Actuals YTD 2002	Budget YTD 2002
Community Networks Projects				
Thin Client Network Project	\$8,176	\$9,500	\$8,176	\$9,500
VolNet Web Hosting	\$350	\$350	\$350	\$350
Web Mail Project	\$0	\$0	\$0	\$0
Smart Capital Project (note 1)	\$0	\$4,779	\$0	\$4,779
Smart Capital Thin Client	\$0	\$7,202	\$0	\$7,202
Smart Capital Web Mail	\$0	\$4,869	\$0	\$4,869
Smart Capital Extended Access	\$0	\$1,662	\$0	\$1,662
Total Project Revenue	<u>\$8,526</u>	<u>\$28,362</u>	<u>\$8,526</u>	<u>\$28,362</u>
Community Networks Projects				
General Project costs	\$0	\$0	\$0	\$0
Thin Client Network Project	\$8,176	\$9,500	\$8,176	\$9,500
VolNet Web Hosting	\$0	\$0	\$0	\$0
Web Mail Project	\$0	\$0	\$0	\$0
Smart Capital Project	\$174	\$4,779	\$174	\$4,779
Smart Capital Thin Client	\$70	\$7,202	\$70	\$7,202
Smart Capital Web Mail	\$70	\$4,869	\$70	\$4,869
Smart Capital Extended Access	\$209	\$1,662	\$209	\$1,662
Total Project Costs	<u>\$8,699</u>	<u>\$28,012</u>	<u>\$8,699</u>	<u>\$28,012</u>
Net Revenue form Community Network Projects	<u>(\$173)</u>	<u>\$350</u>	<u>(\$173)</u>	<u>\$350</u>

Note 1: No revenue has been recognized relating to the Smart Capital Initiative as the contract is still under negotiations which Management expects to be completed soon.

**National Capital Freenet
Balance Sheet
For the period ended as stated**

	Actuals Jan-02	Budget Jan-02
Assets		
Cash	\$49,127	\$53,454
Segregated Cash (note 2)	\$17,883	\$0
Accounts receivable and other current assets	\$6,000	\$12,989
	<u>\$73,010</u>	<u>\$66,443</u>
Capital equipment		
Computer equipment	\$117,103	\$145,498
Systems software	\$238,220	\$100,139
Telecommunications equipment	\$162,813	\$162,813
Business equipment	\$8,076	\$7,576
	<u>\$526,211</u>	<u>\$416,025</u>
Less accumulated depreciation	\$309,161	\$322,472
	<u>\$217,050</u>	<u>\$93,553</u>
Total assets	<u><u>\$290,061</u></u>	<u><u>\$159,996</u></u>
Liabilities and Surplus		
Accounts payable and accrued liabilities	\$34,954	\$8,885
Unearned Revenues (note 2)	\$17,883	\$25,537
Deferred contributions, net of amortization	\$198,497	\$75,071
Surplus	\$38,726	\$50,503
Total liabilities and surplus	<u><u>\$290,061</u></u>	<u><u>\$159,996</u></u>

Note 2: Segregated Cash and Unearned Revenues relates to an advance issued under the HRDC Thin Client Network Project

**National Capital Freenet
Statement of Changes in Financial Position
For the period ended as stated**

	Actuals Jan-02	Budget Jan-02	Actuals YTD 2002	Budget YTD 2002
Operating activities				
Excess of revenue over expenses	\$4,411	\$2,564	\$4,411	\$2,564
Items not involving cash:				
Deferred contributions	\$0	\$0	\$0	\$0
Depreciation	\$0	\$0	\$0	\$0
Net change in non-cash working capital items	\$200	\$184	\$200	\$184
Accounts receivable and other current assets	(\$210)	(\$13,295)	(\$210)	(\$13,295)
Accounts payable & accrued liabilities				
Cash provided by (used in) operations	<u>\$4,401</u>	<u>(\$10,548)</u>	<u>\$4,401</u>	<u>(\$10,548)</u>
Investing activities				
Purchase of equipment for cash	\$0	\$0	\$0	\$0
Cash applied to investing activities	\$0	\$0	\$0	\$0
Increase in cash during the period	<u>\$4,401</u>	<u>(\$10,548)</u>	<u>\$4,401</u>	<u>(\$10,548)</u>
Cash, beginning of period	\$62,609	\$64,001	\$62,609	\$64,001
Less Segregated Cash	(\$17,883)	(\$25,537)	(\$17,883)	(\$25,537)
Cash, end of period	<u><u>\$49,127</u></u>	<u><u>\$27,917</u></u>	<u><u>\$49,127</u></u>	<u><u>\$27,917</u></u>