

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

	Actuals Sep-01	Budget Sep-01	Actuals YTD 2001	Budget YTD 2001
Revenue				
Donations from members				
Associated with registration	\$2,077	\$1,800	\$15,646	\$16,200
Associated with renewals	\$5,072	\$5,323	\$107,877	\$126,360
Total member donations	<u>\$7,150</u>	<u>\$7,123</u>	<u>\$123,523</u>	<u>\$142,560</u>
Fundraising Activities				
Corporate donations & sponsorships	\$364	\$300	\$7,386	\$2,700
Other fundraising activities	\$0	\$0	\$349	\$1,000
Total fundraising activities	<u>\$364</u>	<u>\$300</u>	<u>\$7,735</u>	<u>\$3,700</u>
Grants and other revenues	\$0	\$0	\$0	\$0
Deferred contributions	\$10,300	\$14,396	\$29,648	\$43,188
Total operating revenue	<u>\$17,814</u>	<u>\$21,819</u>	<u>\$160,907</u>	<u>\$189,448</u>
Community Networks Projects (see below)	\$2,048	\$0	\$23,116	\$1,050
Total operating and project revenue	<u>\$19,861</u>	<u>\$21,819</u>	<u>\$184,023</u>	<u>\$190,498</u>
Expenses				
System access telecommunications (note #1)	\$5,312	\$5,550	\$48,153	\$49,950
System administration	\$3,151	\$2,894	\$20,956	\$26,042
Office staff and supplies	\$3,440	\$3,572	\$31,280	\$32,147
Volunteer Coordination	\$0	\$300	\$32	\$2,300
Administration and professional fees	\$2,169	\$4,175	\$26,723	\$27,578
Promotional and other costs	\$0	\$0	\$256	\$500
Depreciation	\$12,245	\$11,087	\$35,413	\$33,261
Total operating expenses	<u>\$26,317</u>	<u>\$27,578</u>	<u>\$162,813</u>	<u>\$171,778</u>
Related to Community Network Projects (see below)	\$3,315	\$0	\$19,563	\$0
Total operating and project expenses	<u>\$29,632</u>	<u>\$27,578</u>	<u>\$182,376</u>	<u>\$171,778</u>
Excess of revenue over expenses	<u>(\$9,771)</u>	<u>(\$5,759)</u>	<u>\$1,647</u>	<u>\$18,720</u>
Surplus, beginning of period	\$71,079	\$73,641	\$59,661	\$49,162
Surplus, end of period	<u>\$61,308</u>	<u>\$67,882</u>	<u>\$61,308</u>	<u>\$67,882</u>

Note #1: Telecommunications expense includes telephone lines supplied by Bell Canada under contract through Carleton University. The contract for these lines expired June 2001 and is being renegotiated. Management believes it will be successful in maintaining the old rate. No amount has been accrued for additional charges should management not be successful.

National Capital Freenet
Net Revenue from Community Projects

	Actuals Sep-01	Budget Sep-01	Actuals YTD 2001	Budget YTD 2001
Community Networks Projects				
VolNet Network Project	\$0	\$0	\$7,758	\$0
Thin Client Network Project	\$140	\$0	\$840	\$0
Urban Cap Network Project	\$0	\$0	\$0	\$0
VolNet Web Hosting	\$350	\$0	\$3,037	\$1,050
Urban Cap Rollout	\$0	\$0	\$0	\$0
Web Mail Project (note #2)	\$1,558	\$0	\$11,481	\$0
Smart Capital Project	\$0	\$0	\$0	\$0
Smart Capital -Thin Client Project	\$0	\$0	\$0	\$0
Total Project Revenue	<u>\$2,048</u>	<u>\$0</u>	<u>\$23,116</u>	<u>\$1,050</u>
Community Networks Projects				
General Project costs	\$0	\$0	\$5,373	\$0
VolNet Network Project	\$0	\$0	\$0	\$0
Thin Client Network Project	\$140	\$0	\$844	\$0
Urban Cap Network Project	\$0	\$0	\$0	\$0
VolNet Web Hosting	\$10	\$0	\$28	\$0
Urban Cap Rollout	\$0	\$0	\$0	\$0
Web Mail Project	\$2,957	\$0	\$12,951	\$0
Smart Capital Project	\$0	\$0	\$18	\$0
Smart Capital -Thin Client Project	\$209	\$0	\$349	\$0
Total Project Costs	<u>\$3,315</u>	<u>\$0</u>	<u>\$19,563</u>	<u>\$0</u>
Net Revenue form Community Network Projects	<u>(\$1,268)</u>	<u>\$0</u>	<u>\$3,553</u>	<u>\$1,050</u>

Note #2: WebMail has been adjusted for revenue recorded in the prior year in excess of contract terms.

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

	Actuals Sep-01	Budget Sep-01
Assets		
Cash	\$46,760	\$37,757
Segregated Cash (note #2)	\$43,093	\$0
Other current assets	\$5,030	\$984
	<u>\$94,883</u>	<u>\$38,740</u>
Capital equipment		
Computer equipment	\$145,498	\$145,498
Systems software	\$100,139	\$100,139
Telecommunications equipment	\$162,813	\$156,132
Business equipment	\$7,576	\$7,033
	<u>\$416,025</u>	<u>\$408,801</u>
Less accumulated depreciation	<u>\$310,227</u>	<u>\$308,075</u>
	<u>\$105,798</u>	<u>\$100,726</u>
Total assets	<u><u>\$200,681</u></u>	<u><u>\$139,467</u></u>
Liabilities and Surplus		
Accounts payable and accrued liabilities (note #1)	\$10,909	\$6,435
Unearned Revenues (note #2)	\$43,093	\$0
Deferred contributions, net of amortization	\$85,371	\$65,150
Surplus	\$61,308	\$67,882
Total liabilities and surplus	<u><u>\$200,681</u></u>	<u><u>\$139,467</u></u>

Note #2: Segregated Cash and Unearned Revenue relate to Thin Client Projects

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

	Actuals Sep-01	Budget Sep-01	Actuals YTD 2001	Budget YTD 2001
Operating activities				
Excess of revenue over expenses	(\$9,771)	(\$5,759)	\$1,647	\$18,720
Items not involving cash:				
Deferred contributions	(\$10,300)	(\$14,396)	(\$29,648)	(\$43,188)
Depreciation	\$12,245	\$11,087	\$35,413	\$33,261
Net change in non-cash working capital items				
Amounts Receivable & Prepaid Expenses	(\$3,129)	\$184	(\$3,548)	\$498
Accounts payable & accrued liabilities	(\$4,460)	\$580	(\$12,107)	(\$893)
Cash provided by (used in) operations	<u>(\$15,415)</u>	<u>(\$8,304)</u>	<u>(\$8,244)</u>	<u>\$8,398</u>
Investing activities				
Purchase of equipment for cash	\$0	\$0	\$543	\$0
Cash applied to investing activities	<u>\$0</u>	<u>\$0</u>	<u>\$543</u>	<u>\$0</u>
Increase in cash during the period	<u>(\$15,415)</u>	<u>(\$8,304)</u>	<u>(\$8,787)</u>	<u>\$8,398</u>
Cash, beginning of period	<u>\$105,269</u>	<u>\$46,061</u>	<u>\$98,640</u>	<u>\$29,359</u>
Less Segregated Cash	<u>(\$43,093)</u>	<u>\$0</u>	<u>(\$43,093)</u>	<u>\$0</u>
Cash, end of period	<u><u>\$46,760</u></u>	<u><u>\$37,757</u></u>	<u><u>\$46,760</u></u>	<u><u>\$37,757</u></u>