

7. FINANCIAL OPERATIONS

IBN NEW FM APPLICATION 2010-1103-0

- 7.1 a) Complete the following table for the proposed undertaking for each 12-month period ending 31 August of the proposed license term.

THE FIRST YEAR OF OPERATION WILL BE: 2011

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	TOTAL
REVENUE (after agency commissions) (\$000)								
National	1,375,425	1,550,227	1,864,465	2,189,038	2,519,235	2,799,807	3,033,615	15,331,811
Local	-	56,388	70,125	84,302	98,698	110,763	120,628	540,904
Other (Specify)								
TOTAL	1,375,425	1,606,615	1,934,590	2,273,339	2,617,932	2,910,570	3,154,243	15,872,715
OPERATING EXPENSES (\$000)								
Programming	400,755	417,147	434,925	462,448	490,532	516,036	539,132	3,260,975
Canadian Content Development	36,000	37,800	39,690	41,675	43,758	45,946	48,243	293,112
Technical	121,500	124,500	128,263	132,152	136,172	140,329	144,627	927,542
Sales, Advertising and Promotion	568,910	589,366	659,597	759,499	824,204	885,113	935,970	5,222,660
Administration and General	628,509	639,548	655,748	678,669	703,828	745,983	766,940	4,819,225
TOTAL OPERATING EXPENSES	1,755,675	1,808,360	1,918,222	2,074,443	2,198,494	2,333,407	2,434,914	14,523,514
NON-OPERATING EXPENSES (\$000)								
Depreciation	134,875	134,875	134,875	134,875	134,875	51,875	51,875	778,125
Profit Before Interest and Taxes	(515,125)	(336,620)	(118,507)	64,022	284,564	525,288	667,455	571,076
Interest	75,000	60,000	45,000	30,000	15,000	-	-	225,000
Other (Specify)	62,373	62,373	62,373	62,373	62,373			311,865
TOTAL NON-OPERATING EXPENSES	137,373	(79,373)	123,741	291,270	496,812	577,163	719,330	2,266,315
TOTAL EXPENSES	2,027,922	2,065,608	2,160,470	2,301,691	2,410,742	2,385,282	2,486,789	15,838,504
Estimated pre-tax income (loss)	(652,497)	(458,993)	(225,880)	(28,351)	207,191	525,288	667,455	34,212
Provision for Income Tax	260,999	183,597	90,352	11,341	(82,876)	(210,115)	(266,982)	(13,685)
NET INCOME (LOSS) AFTER TAXES (for broadcasting operations only)	(391,498)	(275,396)	(135,528)	(17,011)	124,315	315,173	400,473	20,527