

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re Urban Radio of Mississippi, LLC  
Debtor

Case No. 11-13977 (SCC)  
Reporting Period: 03/01/12 - 03/31/12

Federal Tax I.D. # 52-2231154

**CORPORATE MONTHLY OPERATING REPORT**

**File with the Court and submit a copy to the United States Trustee within 20 days after the end of the month and submit a copy of the report to any official committee appointed in the case.**

*(Reports for Rochester and Buffalo Divisions of Western District of New York are due 15 days after the end of the month, as are the reports for Southern District of New York.)*

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	<u>MOR-1</u>	Yes	
Bank Reconciliation (or copies of debtor's bank reconciliations)	<u>MOR-1 (CONT)</u>	Yes	
Copies of bank statements		*	*
Cash disbursements journals		*	*
Statement of Operations	<u>MOR-2</u>	Yes	
Balance Sheet	<u>MOR-3</u>	Yes	
Status of Post-petition Taxes	<u>MOR-4</u>	Yes	
Copies of IRS Form 6123 or payment receipt		N/A	N/A
Copies of tax returns filed during reporting period		N/A	N/A
Summary of Unpaid Post-petition Debts	<u>MOR-4</u>	Yes	
Listing of Aged Accounts Payable		*	*
Accounts Receivable Reconciliation and Aging	<u>MOR-5</u>	Yes	
Taxes Reconciliation and Aging	<u>MOR-5</u>	N/A	N/A
Payments to Insiders and Professional	<u>MOR-6</u>	Yes	
Post Petition Status of Secured Notes, Leases Payable	<u>MOR-6</u>	N/A	N/A
Debtor Questionnaire	<u>MOR-7</u>	Yes	

**\* AVAILABLE UPON REQUEST**

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor \_\_\_\_\_

Date \_\_\_\_\_

Signature of Authorized Individual\* *Lois E. Wright*

Date: *May 9, 2012*

Printed Name of Authorized Individual: Lois E. Wright, Esq.

Date: *May 9, 2012*

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re Urban Radio of Mississippi, LLC  
 Debtor

Case No. 11-13977 (SCC)  
 Reporting Period: 03/01/12 - 03/31/12

**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

ACCOUNT NUMBER (LAST 4)	BANK ACCOUNTS				CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)
	OPER - #8569 & #2019	PAYROLL	TAX	OTHER Petty Cash & Payroll	
<b>CASH BEGINNING OF MONTH</b>	349,418		-	300	349,718
<b>RECEIPTS</b>					
CASH SALES					-
ACCOUNTS RECEIVABLE - PREPETITION	25,162				25,162
ACCOUNTS RECEIVABLE - POSTPETITION	388,229				388,229
LOANS AND ADVANCES					-
SALE OF ASSETS					-
OTHER (ATTACH LIST)					-
TRANSFERS (FROM DIP ACCTS)		86,659			86,659
<b>TOTAL RECEIPTS</b>	413,391	86,659	-	-	500,050
<b>DISBURSEMENTS</b>					
NET PAYROLL (Gross Payroll)	7,999	78,437			86,436
PAYROLL TAXES (Employer)		8,222			8,222
SALES, USE, & OTHER TAXES	-				-
INVENTORY PURCHASES					-
SECURED/ RENTAL/ LEASES	17,689				17,689
INSURANCE					-
ADMINISTRATIVE	69,405				69,405
SELLING (Advertising/Mktg)	7,512				7,512
OTHER (ATTACH LIST)					-
OWNER DRAW *					-
TRANSFERS (TO DIP ACCTS)	500,000				500,000
PROFESSIONAL FEES					-
U.S. TRUSTEE QUARTERLY FEES					-
COURT COSTS					-
<b>TOTAL DISBURSEMENTS</b>	602,605	86,659	-	-	689,264
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>	(189,214)	-	-	-	(189,214)
<b>CASH - END OF MONTH</b>	160,204	-	-	300	160,504

\* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

**THE FOLLOWING SECTION MUST BE COMPLETED**

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)

<b>TOTAL DISBURSEMENTS</b>	689,264
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	(500,000)
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-
<b>TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES</b>	189,264

\*\* Payroll is paid by NY bank account

In re Urban Radio of Mississippi, LLC  
Debtor

Case No. 11-13977 (SCC)  
Reporting Period: 03/01/12 - 03/31/12

**BANK RECONCILIATIONS**

**Continuation Sheet for MOR-1**

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page.  
(Bank account numbers may be redacted to last four numbers.)

	Operating #8569	Regions #2019	Tax #	Other #
<b>BALANCE PER BOOKS</b>	134,278	25,606		620
BANK BALANCE	199,869	25,606		-
(+) DEPOSITS IN TRANSIT ( <i>ATTACH LIST</i> )	500			
(-) OUTSTANDING CHECKS ( <i>ATTACH LIST</i> ): **	(66,108)			
OTHER ( <i>ATTACH EXPLANATION</i> )	18			
<b>ADJUSTED BANK BALANCE *</b>	134,278	25,606	-	620

\*\*Adjusted Bank Balance" must equal "Balance per Books"

DEPOSITS IN TRANSIT	Date	Amount	Date	Amount
CHECKS OUTSTANDING	Ck. #	Amount	Ck. #	Amount

**OTHER**  
\*\* OUTSTANDING CHECK LIST AVAILABLE UPON REQUEST

---



---



---



---

In re Urban Radio of Mississippi, LLC  
Debtor

Case No. 11-13977 (SCC)  
Reporting Period: 03/01/12 - 03/31/12

**STATEMENT OF OPERATIONS (Income Statement)**

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES	MONTH	CUMULATIVE -FILING TO DATE
Gross Revenues	408,474	2,786,876
Less: Returns and Allowances	-	-
Net Revenue	408,474	2,786,876
<b>COST OF GOODS SOLD</b>		
Beginning Inventory		
Add: Purchases		
Add: Cost of Labor		
Add: Other Costs ( <i>attach schedule</i> )		
Less: Ending Inventory		
Cost of Goods Sold		
Gross Profit		
<b>OPERATING EXPENSES</b>		
Advertising	1,250	9,785
Auto and Truck Expense	-	3,279
Bad Debts	2,500	16,917
Contributions	750	750
Employee Benefits Programs	24,750	173,287
Officer/Insider Compensation*	15,466	112,164
Insurance	3,550	21,880
Management Fees/Bonuses	2,500	16,917
Office Expense	805	4,848
Pension & Profit-Sharing Plans		-
Repairs and Maintenance	1,500	49,013
Rent and Lease Expense	18,834	140,014
Salaries/Commissions/Fees	93,215	608,253
Supplies	5,017	31,622
Taxes - Payroll	8,222	49,310
Taxes - Real Estate	-	6,008
Taxes - Other		66
Travel and Entertainment	1,485	4,776
Utilities	13,940	86,470
Other ( <i>attach schedule</i> )	99,593	790,699
Total Operating Expenses Before Depreciation	293,377	2,126,058
Depreciation/Depletion/Amortization	8,864	65,681
Net Profit (Loss) Before Other Income & Expenses	106,233	595,137
<b>OTHER INCOME AND EXPENSES</b>		
Other Income ( <i>attach schedule</i> )		10,920
Interest Expense	-	-
Other Expense ( <i>attach schedule</i> )		
Net Profit (Loss) Before Reorganization Items	106,233	606,057

In re Urban Radio of Mississippi, LLC  
**Debtor**

**Case No.** 11-13977 (SCC)  
**Reporting Period:** 03/01/12 - 03/31/12

<b>REORGANIZATION ITEMS</b>		
Professional Fees		
U. S. Trustee Quarterly Fees		
Interest Earned on Accumulated Cash from Chapter 11 <i>(see continuation sheet)</i>		
Gain (Loss) from Sale of Equipment		
Other Reorganization Expenses <i>(attach schedule)</i>		
Total Reorganization Expenses		
Income Taxes		
Net Profit (Loss)		

\*"Insider" is defined in 11 U.S.C. Section 101(31).

**BREAKDOWN OF "OTHER" CATEGORY**

**OTHER COSTS**


**OTHER OPERATIONAL EXPENSES**

Agency Commission	45,082	315,189
Professional Fees	3,812	19,171
Broadcasting Expenses	30,357	241,537
Research	16,047	103,175
Bank Fees/Postage/Dues&Subs/Corporate Overhead	818	29,955
Barter - Ad Premium/Misc	3,477	81,672

**OTHER INCOME**


**OTHER EXPENSES**


**OTHER REORGANIZATION EXPENSES**


**Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:**

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

**BALANCE SHEET**

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from post-petition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE OR SCHEDULED
<b>CURRENT ASSETS</b>	3/31/2012	2/29/2012	9/7/2011
Unrestricted Cash and Equivalents	160,504	349,718	52,649
Restricted Cash and Cash Equivalents ( <i>see continuation sheet</i> )		-	-
Accounts Receivable (Net)	962,395	1,019,424	1,035,006
Notes Receivable		-	-
Inventories		-	-
Prepaid Expenses	(3,416)	17,730	12,368
Professional Retainers			-
Other Current Assets ( <i>attach schedule</i> )	(32,925,681)	(33,307,875)	(33,194,835)
<b>TOTAL CURRENT ASSETS</b>	<b>(31,806,198)</b>	<b>(31,921,003)</b>	<b>(32,094,812)</b>
<b>PROPERTY &amp; EQUIPMENT</b>			
Real Property and Improvements	99,840	99,840	99,840
Machinery and Equipment	2,213,724	2,213,724	2,213,724
Furniture, Fixtures and Office Equipment	258,252	258,252	258,252
Leasehold Improvements	178,364	178,364	178,364
Vehicles	64,000	64,000	51,437
Less: Accumulated Depreciation	(2,277,403)	(2,268,539)	(2,233,079)
<b>TOTAL PROPERTY &amp; EQUIPMENT</b>	<b>536,777</b>	<b>545,641</b>	<b>568,538</b>
<b>OTHER ASSETS</b>			
Amounts due from Insiders*			
Other Assets ( <i>attach schedule</i> )	22,517,441	22,517,441	22,517,441
<b>TOTAL OTHER ASSETS</b>	<b>22,517,441</b>	<b>22,517,441</b>	<b>22,517,441</b>
<b>TOTAL ASSETS</b>	<b>(8,751,980)</b>	<b>(8,857,921)</b>	<b>(9,008,833)</b>
LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)</b>			
Accounts Payable	50,746	89,460	-
Taxes Payable ( <i>refer to FORM MOR-4</i> )			-
Wages Payable	110,024	94,991	-
Notes Payable			-
Rent / Leases - Building/Equipment			-
Secured Debt / Adequate Protection Payments			-
Professional Fees			-
Amounts Due to Insiders*			-
Other Post-petition Liabilities ( <i>attach schedule</i> )	133,803	110,410	-
<b>TOTAL POST-PETITION LIABILITIES</b>	<b>294,573</b>	<b>294,861</b>	<b>-</b>
<b>LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)</b>			
Secured Debt	-	-	-
Priority Debt	66,241	66,241	71,329
Unsecured Debt	88,692	88,692	742,376
<b>TOTAL PRE-PETITION LIABILITIES</b>	<b>154,933</b>	<b>154,933</b>	<b>813,705</b>
<b>TOTAL LIABILITIES</b>	<b>449,506</b>	<b>449,794</b>	<b>813,705</b>
<b>OWNERS' EQUITY</b>			
Capital Stock	-	-	-
Additional Paid-In Capital	-	-	-
Partners' Capital Account	-	-	-
Owner's Equity Account	-	-	-
Retained Earnings - Pre-Petition	(9,822,538)	(9,822,538)	(9,822,538)
Retained Earnings - Post-petition	621,052	514,823	-
Adjustments to Owner Equity ( <i>attach schedule</i> )			-
Post-petition Contributions ( <i>attach schedule</i> )			-
<b>NET OWNERS' EQUITY</b>	<b>(9,201,486)</b>	<b>(9,307,715)</b>	<b>(9,822,538)</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>(8,751,980)</b>	<b>(8,857,921)</b>	<b>(9,008,833)</b>

\*"Insider" is defined in 11 U.S.C. Section 101(31).

**BALANCE SHEET - continuation section**

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>Other Current Assets</b>			
Barter Receivable	11,889	11,889	11,889
Due from Others	38,156	54,170	21,635
Due from Affiliates	(32,975,726)	(33,373,934)	(33,228,359)
<b>Other Assets</b>			
Intangibles	22,517,441	22,517,441	22,517,441
LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>Other Post-petition Liabilities</b>			
PP FSA Payable	2,688	2,235	
PP Deferred Revenue - ST	6,381	15,428	
PP Other	33,852	30,825	
PP Accrued Exp - Health	86,882	57,922	
PP Barter Payable	4,000	4,000	
<b>Adjustments to Owner's Equity</b>			
<b>Post-Petition Contributions</b>			

Restricted Cash: Cash that is restricted for a specific use and not available to fund operations. Typically, restricted cash is segregated into a separate account, such as an escrow account.

In re Urban Radio of Mississippi, LLC  
**Debtor**

Case No. 11-13977 (SCC)  
Reporting Period: 03/01/12 - 03/31/12

**STATUS OF POST-PETITION TAXES**

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.

Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.

Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Date Paid	Check # or EFT	Ending Tax
Withholding	-					-
FICA-Employee	-					-
FICA-Employer	-					-
Unemployment	-					-
Income	-					-
Other: _____	-					-
Total Federal Taxes	-					-
<b>State and Local</b>						
Withholding	-					-
Sales	-					-
Excise	-					-
Unemployment	-					-
Real Property	-					-
Personal Property	-					-
Other: _____	-					-
Total State and Local	-	-	-			-
<b>Total Taxes</b>						
<b>ALL PAYROLL TAXES ARE PAID BY ADP</b>						

**SUMMARY OF UNPAID POST-PETITION DEBTS**

Attach aged listing of accounts payable.

	Current	31-60	61-90	Over 91	Total
Accounts Payable	3,236	20,299	-	27,211	50,746
Wages Payable	110,024	-	-	-	110,024
Taxes Payable	-	-	-	-	-
Rent/Leases-Building	-	-	-	-	-
Rent/Leases-Equipment	-	-	-	-	-
Secured Debt/Adequate Protection Payments	-	-	-	-	-
Professional Fees	-	-	-	-	-
Amounts Due to Insiders	-	-	-	-	-
Other: _____	-	-	-	-	-
Other: See MOR-3	133,803	-	-	-	133,803
<b>Total Post-petition Debts</b>	<b>247,063</b>	<b>20,299</b>	<b>-</b>	<b>27,211</b>	<b>294,573</b>

**Explain how and when the Debtor intends to pay any past due post-petition debts.**

\$3,236 of past due post-petition debts paid in April. Balance will be paid out of current funds.



In re Urban Radio of Mississippi, LLC  
Debtor

Case No. 11-13977 (SCC)  
Reporting Period: 03/01/12 - 03/31/12

**ACCOUNTS RECEIVABLE RECONCILIATION AND AGING**

<b>Accounts Receivable Reconciliation</b>	<b>Amount</b>
Total Accounts Receivable at the beginning of the reporting period	909,558
Plus: Amounts billed during the period	354,898
Less: Amounts collected during the period	(413,391)
Total Accounts Receivable at the end of the reporting period	851,065

<b>Accounts Receivable Aging</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91+ Days</b>	<b>Total</b>
0 - 30 days old	290,245				290,245
31 - 60 days old		204,080			204,080
61 - 90 days old			111,274		111,274
91+ days old				245,466	245,466
Total Accounts Receivable					851,065
Less: Bad Debts (Amount considered uncollectible)					56,100
Net Accounts Receivable **					907,165

\*\* A/R aging balance is lower than B/S amount due to revenue accruals and reclass of credit balances

**TAXES RECONCILIATION AND AGING**

<b>Taxes Payable</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91+ Days</b>	<b>Total</b>
0 - 30 days old					
31 - 60 days old					
61 - 90 days old					
91+ days old					
Total Taxes Payable					
Total Accounts Payable					

In re Urban Radio of Mississippi, LLC  
Debtor

Case No. 11-13977 (SCC)  
Reporting Period: 03/01/12 - 03/31/12

**PAYMENTS TO INSIDERS AND PROFESSIONALS**

Of the total disbursements shown on the Cash Receipts and Disbursements Report (MOR-1) list the amount paid to insiders (as defined in Section 101(31) (A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
Kevin Webb	Salary	13,118	95,737
Kevin Webb	Commission	2,348	16,428
Kevin Webb	T&E		918
TOTAL PAYMENTS TO INSIDERS		15,466	113,082

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
TOTAL PAYMENTS TO PROFESSIONALS					

\* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

**POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
TOTAL PAYMENTS			

In re Urban Radio of Mississippi, LLC  
Debtor

Case No. 11-13977 (SCC)  
Reporting Period: 03/01/12 - 03/31/12

### DEBTOR QUESTIONNAIRE

<b>Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.</b>		Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period?		No
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		No
3	Is the Debtor delinquent in the timely filing of any post-petition tax returns?		No
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		No
5	Is the Debtor delinquent in paying any insurance premium payment?		No
6	Have any payments been made on pre-petition liabilities this reporting period?		No
7	Are any post petition receivables (accounts, notes or loans) due from related parties?		No
8	Are any post petition payroll taxes past due?		No
9	Are any post petition State or Federal income taxes past due?		No
10	Are any post petition real estate taxes past due?		No
11	Are any other post petition taxes past due?		No
12	Have any pre-petition taxes been paid during this reporting period?		No
13	Are any amounts owed to post petition creditors delinquent?	Yes**	
14	Are any wage payments past due?		No
15	Have any post petition loans been received by the Debtor from any party?		No
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		No
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		No
18	Have the owners or shareholders received any compensation outside of the normal course of business?		No

\*\* See note on MOR-4