

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Urban Radio of South Carolina, L.L.C.
Debtor

Case No. 11-13978 (SCC)

Reporting Period: 9/8/11-10/31/11

Federal Tax I.D. # 58-2555231

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	MOR-1	YES	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CON'T)	YES	
Copies of bank statements		*	*
Cash disbursements journals		*	*
Statement of Operations	MOR-2	YES	
Balance Sheet	MOR-3	YES	
Status of Post-petition Taxes	MOR-4	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	MOR-4	YES	
Listing of Aged Accounts Payable		*	*
Accounts Receivable Reconciliation and Aging	MOR-5	YES	
Taxes Reconciliation and Aging	MOR-5	N/A	N/A
Payments to Insiders and Professional	MOR-6	YES	
Post Petition Status of Secured Notes, Leases Payable	MOR-6	N/A	N/A
Debtor Questionnaire	MOR-7	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*  _____

Date: 12/5/11 _____

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

Date: 12/5/11 _____

*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.

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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 - #8542 & #9817 & #3484	PAYROLL	TAX	OTHER	
CASH BEGINNING OF MONTH	243,620	-	-	-	243,620
RECEIPTS					
CASH SALES					-
ACCOUNTS RECEIVABLE - PREPETITION	554,797				554,797
ACCOUNTS RECEIVABLE - POSTPETITION	533,327				533,327
LOANS AND ADVANCES	-				-
SALE OF ASSETS	-				-
OTHER <i>Intercompany Transfer</i>	975	259,422			260,397
TRANSFERS (<i>FROM DIP ACCTS</i>)	-				-
TOTAL RECEIPTS	1,089,099	259,422	-	-	1,348,521
DISBURSEMENTS					
NET PAYROLL	-	240,497			240,497
PAYROLL TAXES	-	18,925			18,925
SALES, USE, & OTHER TAXES	24,442				24,442
INVENTORY PURCHASES	-				-
SECURED/ RENTAL/ LEASES					-
INSURANCE					-
ADMINISTRATIVE	148,233				148,233
SELLING	9,368				9,368
OTHER & <i>Intercompany Transfer</i>	394,295	-		-	394,295
OWNER DRAW *					-
TRANSFERS (<i>TO DIP ACCTS</i>)					-
PROFESSIONAL FEES	7,039				7,039
U.S. TRUSTEE QUARTERLY FEES	975				975
COURT COSTS					-
TOTAL DISBURSEMENTS	584,353	259,422	-	-	843,774
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	504,746	-	-	-	504,746
CASH - END OF MONTH	748,367	-	-	-	748,367

* 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)

TOTAL DISBURSEMENTS	842,799
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	(394,295)
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	0
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	448,504

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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 #8542	Payroll #3484	Citibank #9817	Other #
BALANCE PER BOOKS	490,740	237,066	20,561	
BANK BALANCE	395,780	237,066	20,561	
(+) DEPOSITS IN TRANSIT (<i>ATTACH LIST</i>) **	142,197	-	-	
(-) OUTSTANDING CHECKS (<i>ATTACH LIST</i>):**	(46,359)	-	-	
OTHER (<i>ATTACH EXPLANATION</i>)	(878)	-	-	-
ADJUSTED BANK BALANCE *	490,740	237,066	20,561	-

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

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

OTHER

** DEPOSITS IN TRANSIT AND OUTSTANDING CHECKS LISTS AVAILABLE UPON REQUEST.

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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	9/8-10/31 MONTH	9/8-10/31 CUMULATIVE -FILING TO DATE
Gross Revenues	1,314,490	1,314,490
Less: Returns and Allowances	-	-
Net Revenue	1,314,490	1,314,490
COST OF GOODS SOLD		
Beginning Inventory		
Add: Purchases		
Add: Cost of Labor		
Add: Other Costs <i>(attach schedule)</i>		
Less: Ending Inventory		
Cost of Goods Sold		
Gross Profit		
OPERATING EXPENSES		
Advertising	-	-
Auto and Truck Expense	-	-
Bad Debts	5,473	5,473
Contributions	1,000	1,000
Employee Benefits Programs	95,400	95,400
Officer/Insider Compensation*	22,392	22,392
Insurance	14,312	14,312
Management Fees/Bonuses	8,833	8,833
Office Expense	1,365	1,365
Pension & Profit-Sharing Plans		
Repairs and Maintenance	2,871	2,871
Rent and Lease Expense	39,354	39,354
Salaries/Commissions/Fees	310,221	310,221
Supplies	7,210	7,210
Taxes - Payroll	19,616	19,616
Taxes - Real Estate	5,729	5,729
Taxes - Other	-	-
Travel and Entertainment	4,503	4,503
Utilities	30,394	30,394
Other <i>(attach schedule)</i>	350,095	350,095
Total Operating Expenses Before Depreciation	918,768	918,768
Depreciation/Depletion/Amortization	8,571	8,571
Net Profit (Loss) Before Other Income & Expenses	387,151	387,151
OTHER INCOME AND EXPENSES		
Other Income <i>(attach schedule)</i>		
Interest Expense	5	5
Other Expense <i>(attach schedule)</i>	-	-
Net Profit (Loss) Before Reorganization Items	387,146	387,146

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REORGANIZATION ITEMS		
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 Commissions	191,120	191,120
Professional Fees	7,383	7,383
Broadcasting Expenses	61,704	61,704
Research	56,955	56,955
Bank Fees/Postage/Dues&Subs	17,508	17,508
Barter - Ad Premium/Misc	15,425	15,425

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.

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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
<i>CURRENT ASSETS</i>	10/31/2011	9/7/2011	9/7/2011
Unrestricted Cash and Equivalents	748,367	243,620	243,620
Restricted Cash and Cash Equivalents (<i>see continuation sheet</i>)	-	-	-
Accounts Receivable (Net)	1,967,676	1,863,432	1,863,432
Notes Receivable	-	-	-
Inventories	-	-	-
Prepaid Expenses	(12,205)	33,547	33,547
Professional Retainers	-	-	-
Other Current Assets (<i>attach schedule</i>)	(70,665,133)	(70,720,298)	(70,720,298)
TOTAL CURRENT ASSETS	(67,961,295)	(68,579,699)	(68,579,699)
<i>PROPERTY & EQUIPMENT</i>			
Real Property and Improvements	52,525	52,525	52,525
Machinery and Equipment	2,983,451	2,983,451	2,983,451
Furniture, Fixtures and Office Equipment	265,499	257,908	257,908
Leasehold Improvements	69,187	69,187	69,187
Vehicles	137,791	137,791	137,791
Less: Accumulated Depreciation	(3,235,155)	(3,226,584)	(3,226,584)
TOTAL PROPERTY & EQUIPMENT	273,298	274,278	274,278
<i>OTHER ASSETS</i>			
Amounts due from Insiders*	-	-	-
Other Assets (<i>attach schedule</i>)	30,747,679	30,747,679	30,747,679
TOTAL OTHER ASSETS	30,747,679	30,747,679	30,747,679
TOTAL ASSETS	(36,940,318)	(37,557,742)	(37,557,742)
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
<i>LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)</i>			
Accounts Payable	24,620	-	-
Taxes Payable (<i>refer to FORM MOR-4</i>)	-	-	-
Wages Payable	152,303	-	-
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>)	92,544	-	-
TOTAL POST-PETITION LIABILITIES	269,467	-	-
<i>LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)</i>			
Secured Debt	-	-	-
Priority Debt	37,497	37,497	37,497
Unsecured Debt **	1,302,115	1,341,304	1,341,304
TOTAL PRE-PETITION LIABILITIES	1,339,612	1,378,801	1,378,801
TOTAL LIABILITIES	1,609,079	1,378,801	1,378,801
<i>OWNERS' EQUITY</i>			
Capital Stock	-	-	-
Additional Paid-In Capital	-	-	-
Partners' Capital Account	-	-	-
Owner's Equity Account	-	-	-
Retained Earnings - Pre-Petition	(38,936,543)	(38,936,543)	(38,936,543)
Retained Earnings - Post-petition	387,146	-	-
Adjustments to Owner Equity (<i>attach schedule</i>)	-	-	-
Post-petition Contributions (<i>attach schedule</i>)	-	-	-
NET OWNERS' EQUITY	(38,549,397)	(38,936,543)	(38,936,543)
TOTAL LIABILITIES AND OWNERS' EQUITY	(36,940,318)	(37,557,742)	(37,557,742)

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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
Other Current Assets			
Barter Receivable	176,557	176,557	176,557
Due From Others - Entergy Utility Deposit	7,800	-	-
Due From Affiliates	(70,849,490)	(70,896,855)	(70,896,855)
Other Assets			
Intangibles	30,738,929	30,738,929	30,738,929
Other Assets - Clear Channel Corp	8,750	8,750	8,750
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
Other Post-petition Liabilities			
PP Deferred Revenue ST	24,147	-	-
PP Due Others	16,844	-	-
PP Other	51,553	-	-
Adjustments to Owner's Equity			
Post-Petition Contributions			

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.

**** Decrease due to payment of employee commissions as authorized
by the court.**

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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
Federal						
Withholding	-					-
FICA-Employee	-					-
FICA-Employer	-					-
Unemployment	-					-
Income	-					-
Other: _____	-					-
Total Federal Taxes	-					-
State and Local						
Withholding	-					-
Sales	-					-
Excise	-					-
Unemployment	-					-
Real Property	-					-
Personal Property	-					-
Other: _____	-					-
Total State and Local	-	-	-			-
Total Taxes						
ALL PAYROLL TAXES ARE PAID BY ADP						

SUMMARY OF UNPAID POST-PETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 91	
Accounts Payable	24,042	578	-	-	-	24,620
Wages Payable	152,303	-	-	-	-	152,303
Taxes Payable	-	-	-	-	-	-
Rent/Leases-Building	-	-	-	-	-	-
Rent/Leases-Equipment	-	-	-	-	-	-
Secured Debt/Adequate Protection Payments	-	-	-	-	-	-
Professional Fees	-	-	-	-	-	-
Amounts Due to Insiders	-	-	-	-	-	-
Other:Deferred Rev ST	24,147	-	-	-	-	24,147
Other:Due Others	29,208	-	-	-	-	29,208
Other	39,189					
Total Post-petition Debts	268,889	578	-	-	-	269,467

Explain how and when the Debtor intends to pay any past due post-petition debts.
Past due post-petition debts will be paid out of current funds.

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ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	1,608,169
Plus: Amounts billed during the period	1,325,506
Less: Amounts collected during the period	-1,099,124
Total Accounts Receivable at the end of the reporting period	1,834,551

Accounts Receivable Aging	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old	625,095				625,095
31 - 60 days old		445,260			445,260
61 - 90 days old			257,517		257,517
91+ days old				506,679	506,679
Total Accounts Receivable					1,834,551
Less: Bad Debts (Amount considered uncollectible)					97,684
Net Accounts Receivable **					1,932,235

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

TAXES RECONCILIATION AND AGING

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

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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
George S. Patterson	Salary	22,392	22,392
George S. Patterson	Car Allowance	1,200	1,200
George S. Patterson	T&E	359	359
TOTAL PAYMENTS TO INSIDERS		23,950	23,950

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			

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DEBTOR QUESTIONNAIRE

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.	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?	Yes	
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