

ESKIMO, INDIAN, ALEUT PUBLISHING COMPANY

NOTES TO FINANCIAL STATEMENTS-continued

3. TRADE AGREEMENTS

The company has trade agreements with a TV/Radio broadcasting company and an airlines with service throughout the state of Alaska and the continental United States. Both agreements require direct offsets for services provided and are not redeemable in cash.

The TV/Radio agreement expires on April 19, 1985, and the agreement with the airlines expires on December 31, 1983.

At September 30, 1983, the company had a balance due from the airlines (redeemable in services) of \$7,728 which is included in trade receivables. The credits and charges under the TV/Radio agreement were totally offset and no balance is reflected in the accompanying balance sheet.

During the period, \$1,671 and \$7,500 were included as revenue and \$407 and \$7,500 were charged to expense from transactions under the respective trade agreements with the airlines, and the TV/Radio broadcasting company.

4. UNEARNED REVENUE

At September 30, 1983, unearned revenue consists of:

Unexpired portion of subscriptions billed or collected	\$ 19,675
Advance collection on advertising accounts	5,099
Collections for annual banquet	<u>15,600</u>
Total	<u>\$ 40,374</u>

5. LEASES

The company rents its facilities on a month-to-month basis at a monthly rate of \$1,250.