Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
WATERMAN BROADCASTING CORPORATION 401(K) PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/1997

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

WATERMAN BROADCASTING CORPORATION OF FLORIDA, INC

3719 CENTRAL AVE
FORT MYERS, FL 33901

2b Employer Identification Number (EIN) 59-2308739

2c Sponsor's telephone number 239-939-6222

2d Business code (see instructions) 515100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	08/24/2012	GERALD W POPPE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	08/24/2012	STEVEN H PONTIUS
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
WATERMAN BROADCASTING CORPORATION OF FLORIDA, INC

3719 CENTRAL AVE
FORT MYERS, FL 33901

3b Administrator's EIN
59-2308739

3c Administrator's telephone number
239-939-6222

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	299
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	287
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	33
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	320
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	320
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	168
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	1
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 2J 2K 2T 3D 3H 2S

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)		**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2011** **This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
WATERMAN BROADCASTING CORPORATION 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
WATERMAN BROADCASTING CORPORATION OF FLORIDA, INC

D Employer Identification Number (EIN)
59-2308739

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

MERRILL LYNCH,PIERCE,FENNER & SMITH

13-5674085

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

ASCENSUS

11-3665754

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99 64 15 60 50	RECORD KEEPER	1870	Yes [X] No [ ]	Yes [ ] No [X]	5929	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

LARSON ALLEN

41-0746749

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	AUDITOR	7560	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MERRILL LYNCH,PIERCE,FENNER & SMITH 13-5674085	SEE THE ATTACHED FORMULA DESCRIPTION REPORT LISTING THE FORMULAS FOR SUB T/A REVENUE BY FUND

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 99	624

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MERRILL LYNCH,PIERCE,FENNER & SMITH 13-5674085	QUALITY SERVICE BONUS (ALLOCATED ON MONTH END MARKET VALUE)

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ASCENSUS	15 64	5305

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MERRILL LYNCH,PIERCE,FENNER & SMITH 13-5674085	RECORD KEEPING SUBSIDY (ALLOCATED ON MONTH END MARKET VALUE)

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
WATERMAN BROADCASTING CORPORATION 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
WATERMAN BROADCASTING CORPORATION OF FLORIDA, INC

D Employer Identification Number (EIN)
59-2308739

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		16447
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	757363	879710
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	5332406	4996176
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	6089769	5892333
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	6089769	5892333

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)		
(B) Participants	2a(1)(B)	367533	
(C) Others (including rollovers)	2a(1)(C)	2730	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		370263
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	27	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		27
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	95126	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		95126
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-340215
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		125201
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	305452	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		305452
f Corrective distributions (see instructions)	2f		4240
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	10283	
(2) Contract administrator fees	2i(2)	1870	
(3) Investment advisory and management fees	2i(3)	780	
(4) Other	2i(4)	12	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		12945
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		322637
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-197436
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CLIFTON LARSON ALLEN LLP (2) EIN: 41-0746749

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) **4a**		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) **4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) **4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) **4d**		X	
e	Was this plan covered by a fidelity bond? **4e**	X		1300000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? **4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? **4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? **4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) **4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) **4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? **4k**		X	
l	Has the plan failed to provide any benefit when due under the plan? **4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) **4m**	X		
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. **4n**	X		

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
WATERMAN BROADCASTING CORPORATION 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
WATERMAN BROADCASTING CORPORATION OF FLORIDA, INC

D Employer Identification Number (EIN)
59-2308739

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 45-0404698

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

WATERMAN BROADCASTING CORPORATION 401(K) PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION (MODIFIED CASH BASIS)

YEARS ENDED DECEMBER 31, 2011 AND 2010

WATERMAN BROADCASTING CORPORATION 401(K) PLAN
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YEARS ENDED DECEMBER 31, 2011 AND 2010

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CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

INDEPENDENT AUDITORS' REPORT

Investment Committee
Waterman Broadcasting Corporation 401(k) Plan
Fort Myers, Florida

We were engaged to audit the accompanying financial statements and supplemental schedule of Waterman Broadcasting Corporation 401(k) Plan (the "Plan") as of December 31, 2011 and 2010, and for the years then ended, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information cited in Note 5, which was certified by Ascensus as agent for Frontier Trust Company, FSB, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and the supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2011 and 2010, and for the years then ended, that the information provided to the Plan administrator by the trustee is complete and accurate.

As described in Note 2, these financial statements were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on these accompanying financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for the purposes of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

CliftonLarsonAllen LLP

Fort Myers, Florida
August 16, 2012

WATERMAN BROADCASTING CORPORATION 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
(Modified Cash Basis)
DECEMBER 31, 2011 AND 2010

	2011	2010
ASSETS		
INVESTMENTS (at Fair Value)		
Mutual Funds	$ 5,875,868	$ 6,089,757
Interest Bearing Cash	-	13
NET ASSETS AVAILABLE FOR BENEFITS	$ 5,875,868	$ 6,089,770

See accompanying Notes to Financial Statements

WATERMAN BROADCASTING CORPORATION 401(K) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(Modified Cash Basis)
YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
ADDITIONS TO (DEDUCTIONS FROM) NET ASSETS AVAILABLE FOR BENEFITS ATTRIBUTED TO:		
INVESTMENT INCOME (LOSS)		
Net Appreciation (Depreciation) in Fair Value of Investments	$ (340,234)	$ 597,537
Interest and Dividends	95,154	73,151
Total Investment Income (Loss)	(245,080)	670,688
CONTRIBUTIONS		
Employee 401(k) Deferral	351,087	327,850
Employee Rollover	2,730	-
Total Contributions	353,817	327,850
BENEFITS PAID TO PARTICIPANTS	(309,692)	(747,685)
ADMINISTRATIVE FEES	(12,947)	(600)
NET INCREASE (DECREASE)	(213,902)	250,253
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of Year	6,089,770	5,839,517
END OF YEAR	$ 5,875,868	$ 6,089,770

See accompanying Notes to Financial Statements

NOTE 1 DESCRIPTION OF PLAN

A general description of the major characteristics of the Plan is presented below. The Plan is a defined contribution plan established for the benefit of the employees of Waterman Broadcasting Corporation of Florida, Inc. and its subsidiaries (the "Company"). Reference should be made to the actual Plan document for a complete description of the Plan's provisions.

General

The Plan is a defined contribution plan originally effective January 1, 1997. The Plan has been amended throughout the years to comply with tax legislation and was most recently amended and restated effective January 1, 2011. The Plan excludes employees who are covered by a collective bargaining agreement. The Plan is subject to the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Eligibility

Salary Deferrals

All active employees of the Company are eligible to participate after attaining the age of 21 and completing one month of service. The employee enters the salary deferral portion of the Plan on the first day of the month following the completion of the eligibility requirement.

Company Contributions

All active employees of the Company are eligible to receive Company matching contributions after attaining the age of 21 and completing one year of service. The employee enters the Company contribution portion of the Plan on the first day of the month following the completion of the eligibility requirements.

Contributions

The Plan includes a salary deferral arrangement allowed under Section 401(k) of the Internal Revenue Code. Eligible participants are permitted to elect to have from 1% to 100% of their compensation contributed as pre-tax 401(k) contributions and post-tax roth contributions to the Plan. Participants age 50 or older are allowed to make catch-up contributions. The catch-up contribution limit for the years ended December 31, 2011 and 2010 was $5,500.

The Company may, at its discretion, elect to make qualified matching contributions to the Plan. For the years ended December 31, 2011 and 2010, the Company matching provision of the Plan was suspended, and there were no contributions during those years. There were no Company profit sharing contributions for the years ended December 31, 2011 and 2010.

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Contributions (Continued)

Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans or conduit IRAs. Participants direct the investment of contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds as investment options for participants. Contributions are subject to certain limitations.

Participant Accounts

Each participant's account is credited with the participant's salary deferral, the Company's matching contribution, and an allocation of Plan earnings or losses. Allocations are based on participant account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Income is allocated daily to participant accounts based on the number of shares owned in the participant accounts.

Vesting

Participants are immediately vested in their deferred contributions and the earnings on those deferrals. Vesting in the Company's matching contribution portion of their accounts, plus actual earnings thereon, is based on years of continuous service. Vesting occurs at a rate of 20% per year after year one. A participant is 100 percent vested after five years of credited service. A participant is also fully vested upon reaching normal retirement age, death, or permanent disability.

Participant Loans

Participant loans are not permitted by the Plan.

Benefit Payments

Upon termination of service due to death, disability, or retirement, a participant will receive the value of the vested interest in his or her account in the form of a lump-sum distribution. If a participant terminates employment and the participant's account balance was never greater than $1,000, the Plan administrator will authorize the benefit payment without the participant's consent. The Plan also allows for in-service withdrawals at age 59½ and for hardship distributions subject to Plan provisions.

Forfeited Accounts

Forfeited non-vested accounts are applied to reduce Company contributions. Forfeitures of $-0- were applied to reduce Company contributions for the years ended December 31, 2011 and 2010. At December 31, 2011 and 2010, unallocated forfeiture amounts totaled $15,276 and $27,260, respectively.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Waterman Broadcasting Corporation 401(k) Plan are presented on the modified cash basis of accounting. Under this method contributions and investment income are recognized when received.

Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures,* provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the valuation methodologies used at December 31, 2011 and 2010.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements presented under the modified cash basis of accounting requires the Plan administrator to make estimates and assumptions that affect the reported amounts of net assets available for benefits and disclosures of contingent net assets available for benefits at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Due to their prospective nature, actual amounts could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are valued at fair value based on quoted market prices. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments in mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan’s gains and losses on investments bought and sold as well as held during the year.

Administrative Expenses

The Company pays certain administrative expenses on behalf of the Plan.

Benefit Payments

Benefit payments are recorded when paid.

Subsequent Events

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through August 16, 2012, the date the financial statements were available to be issued.

NOTE 3 PLAN TAX STATUS

The Plan is a prototype plan sponsored by Universal Pensions, Inc., an Ascensus (BISYS) company. The prototype plan has received a determination letter, dated March 31, 2008, that the Plan is acceptable under Section 401 of the Internal Revenue Code for use by employers for the benefits of their employees. The Plan has been amended since receiving the prototype notification letter, however, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

NOTE 4 PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, the participants will become 100 percent vested in their accounts.

NOTE 5 CERTIFICATION OF INVESTMENT INFORMATION

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Ascensus, as agent for Frontier Trust Company, FSB, the trustee of the Plan, has supplied the Plan administrator with a certification as to the completeness and accuracy of all investment information presented on the accompanying statements of net assets available for benefits as of December 31, 2011 and 2010, the statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule of assets (held at end of year) as of December 31, 2011.

.

NOTE 6 FAIR VALUE OF INVESTMENTS

The following table sets forth, by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	Investment Assets at Fair Value as of December 31, 2011			
	Level 1	Level 2	Level 3	Total
Assets:				
Mutual Funds				
Income Funds	$1,361,015	$ -	$ -	$ 1,361,015
Real Estate Funds	55,521	-	-	55,521
Bond Funds	657,801	-	-	657,801
Index Funds	241,929	-	-	241,929
Value Funds	97,694	-	-	97,694
International Funds	1,221,340	-	-	1,221,340
Growth Funds	1,360,858	-	-	1,360,858
Money Market Funds	879,710	-	-	879,710
Total Investments at Fair Value	$5,875,868	$ -	$ -	$ 5,875,868

	Investment Assets at Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
Assets:				
Mutual Funds				
Income Funds	$1,358,383	$ -	$ -	$ 1,358,383
Real Estate Funds	63,103	-	-	63,103
Bond Funds	577,046	-	-	577,046
Index Funds	314,291	-	-	314,291
Value Funds	89,736	-	-	89,736
International Funds	1,445,450	-	-	1,445,450
Growth Funds	1,484,398	-	-	1,484,398
Money Market Funds	757,350	-	-	757,350
Interest Bearing Cash	13	-	-	13
Total Investments at Fair Value	$6,089,770	$ -	$ -	$ 6,089,770

NOTE 7 INVESTMENTS

The following table presents the fair value of those investments which exceed 5% of net assets available for benefits.

Investments at Fair Value	2011	2010
Investments in Excess of 5% of Net Assets		
BlackRock Global Allocation Fund Inc.	$ 421,484	$ 480,835
BlackRock Capital Appreciation Fund A	447,660	483,896
Retirement Reserves	695,209	577,671
GM Invesco Van Kampen Comstock Fund A	439,333	436,675
GM BlackRock Capital Appreciation Fd A	333,043	351,837
PIMCO Total Return Fund A	299,176	322,750
BlackRock S & P 500 Index Fund	- *	314,291
John Hancock Strategic Income Fund A	- *	327,537
DWS Dreman Small Cap Value Fund A	- *	330,861

* Zero Amounts are Less Than 5%

During 2011 and 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value by the following:

	2011	2010
Mutual Funds	$ (340,234)	$ 586,267
Collective Fund	-	11,270
	$ (340,234)	$ 597,537

NOTE 8 RISKS AND UNCERTAINTIES

The Plan provides for investment in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE 9 PARTY-IN-INTEREST TRANSACTIONS

The investments are managed by Frontier Trust Company, FSB, and the trustee of the Plan. Therefore, these transactions qualify as party-in-interest. Fees paid by the Plan to Ascensus, as agent for Frontier Trust Company, were $1,870 and $600, for the years ended December 31, 2011 and 2010, respectively.

NOTE 10 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31:

	2011
Net Assets Available for Benefits per the Financial Statements	$ 5,875,868
Accounts Receivable Employee Deferrals	16,447
Rounding	18
Net Assets Available for Benefits per the Form 5500	$ 5,892,333

The following is a reconciliation of net decrease in net assets per the financial statements to the Form 5500 as of December 31:

	2011
Net Decrease in Net Assets per the Financial Statements	$ (213,902)
Accounts Receivable Employee Deferrals	16,447
Rounding	19
Net Decrease in Net Assets per the Form 5500	$ (197,436)

SUPPLEMENTAL SCHEDULE

WATERMAN BROADCASTING CORPORATION 401(K) PLAN
E.I.N. 59-2308739 PLAN NO. 002
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2011

(a)	(b)	(c)	(d)	(e)
	Identity of Issuer	Description of Investment	** Cost	Current Value
	BlackRock	BlackRock Capital Appreciation Fund A		$ 447,660
	BlackRock	BlackRock S & P 500 Index Fund		241,929
	Invesco	Invesco Van Kampen Comstock Fund A		209,290
	John Hancock	John Hancock Strategic Income Fund A		244,839
	The Oakmark	Oakmark International Fund II		206,212
	BlackRock	BlackRock Global Allocation Fund Inc.		421,484
	Merrill Lynch	Retirement Reserves		695,209
	John Hancock	GM John Hancock Strategic Income Fund A		169,201
	The Oakmark	GM The Oakmark International Fund II		72,592
	BlackRock	GM BlackRock Global Allocation Fund		171,449
	Merrill Lynch	GM Retirement Reserves Money Fd Class 1		184,501
	PIMCO	PIMCO Total Return Fund A		299,176
	PIMCO	GM PIMCO Total Return Fund A		270,170
	IVY	IVY Limited Term Bond Y		88,455
	Janus	Janus Forty Fund A		4,497
	BlackRock	BlackRock Equity Dividend Fund A		97,694
	JPMorgan	JPMorgan U.S. Equity Fund A		166,108
	Aston/Optimum	Aston/Fairpointe Mid Cap Fund N		138,494
	Dreman	DWS Dreman Small Cap Value Fund A		281,489
	Oppenheimer	Oppenheimer International Growth Fund A		6,784
	Oppenheimer	Oppenheimer Developing Markets Fd A		78,896
	ING	ING Real Estate Fund A		55,521
	BlackRock	GM BlackRock Capital Appreciation Fd A		333,043
	Invesco	GM Invesco Van Kampen Comstock Fund A		439,333
	Aston/Optimum	GM Aston/Fairpointe Mid Cap Fund N		71,019
	Dreman	GM DWS Dreman Small Cap Value Fund A		128,061
	Oppenheimer	GM Oppenheimer Developing Markets Fd A		75,264
	Oppenheimer	GM Oppenheimer Intl Growth Fund A		77,028
	Templeton	GM Templeton Global Bond Fund A		111,631
	IVY	Ivy High Income Y		1,696
	JPMorgan	JP Morgan Smart Retirement 2025 A		33
	Templeton	Templeton Global Bond Fund A		2,976
	JPMorgan	JP Morgan Smart Retirement 2035 A		169
	IVY	Ivy International Core Equity Fd A		446
	BlackRock	Blackrock Global Opportunities Inv A		83,519
		Total Assets		$ 5,875,868

** Indicates Party-in-Interest*
***Cost omitted for participant-directed accounts*

Schedule C, Part I, line 2(h) Formula Description and Schedule C, Part I, line 3(e) Formula Description

Plan Name: WATERMAN BROADCASTING CORP 401K PLAN

Plan Number: 039613

Broker Dealer: Merrill Lynch

Ticker Symbol	Investment Name	Formula used to determine Sub-TA Compensation paid to Ascensus
MDFGX	BlackRock Capital Appreciation Fund A	12 dollars per fund position
MLGIX98	ML Retirement Preservation Trust	10 basis points
WLTYX	IVY Limited Term Bond Y	12 dollars per fund position
WHIYX	Ivy High Income Y	12 dollars per fund position
TPINX	Templeton Global Bond Fund A	12 dollars per fund position
SRJAX	JP Morgan Smart Retirement 2035 A	12 dollars per fund position
PTTAX	PIMCO Total Return Fund A	12 dollars per fund position
OIGAX	Oppenheimer International Growth Fund A	12 dollars per fund position
ODMAX	Oppenheimer Developing Markets Fd A	12 dollars per fund position
MDLRX	BlackRock Large Cap Core Fund	12 dollars per fund position
LBNPX	Lord Abbott Bond Debenture P	12 dollars per fund position
MDGGX	BlackRock Global Growth Fund Inc.	12 dollars per fund position
GMACSTX	GM Invesco Van Kampen Comstock Fund A	12 dollars per fund position
MDDVX	BlackRock Equity Dividend Fund A	12 dollars per fund position
JUEAX	JPMorgan U.S. Equity Fund A	12 dollars per fund position
JNSAX	JPMorgan Smart Retirement 2025 A	12 dollars per fund position
JDCAX	Janus Forty Fund A	12 dollars per fund position
IVIAX	Ivy International Core Equity Fd A	12 dollars per fund position
CLARX	ING Real Estate Fund A	12 dollars per fund position
CHTTX	ASTON/Fairpointe Mid Cap Fund N	12 dollars per fund position
BROAX	Blackrock Global Opportunities Inv A	12 dollars per fund position
ACSTX	Invesco Van Kampen Comstock Fund A	12 dollars per fund position
KDSAX	DWS Dreman Small Cap Value Fund A	12 dollars per fund position

Schedule C, Part I, line 2(h) Formula Description and Schedule C, Part I, line 3(e) Formula Description

Plan Name: WATERMAN BROADCASTING CORP 401K PLAN

Plan Number: 039613

Broker Dealer: Merrill Lynch

Ticker Symbol	Investment Name	Formula used to determine Sub-TA Compensation paid to Ascensus
MDLOX	BlackRock Global Allocation Fund Inc.	12 dollars per fund position
GMODMAX	GM Oppenheimer Developing Mkts Fd A	12 dollars per fund position
GMMLGIX98	GM ML Retirement Preservation Trust	N/A
GMMDDUX	GM BlackRock Short Term Bond Fund	N/A
MFGSX	MFS Govt Securities Fund A	N/A
MLIKX	Retirement Reserves(7dayYield:0.00%)	6 dollars per fund position
GMMLIKX	GM Retirement Reserves Money Fd Class 1	6 dollars per fund position
SRVEX	Victory Diversified Stock A	12 dollars per fund position
OARIX	The Oakmark International Fund II	12 dollars per fund position
GMTPINX	GM Templeton Global Bond Fund A	12 dollars per fund position
GMRGACX	GM American Funds Grwth Fd of America R3	12 dollars per fund position
JHFIX	John Hancock Strategic Income Fund A	12 dollars per fund position
GMOIGAX	GM Oppenheimer Intl Growth Fund A	12 dollars per fund position
MASRX	BlackRock S & P 500 Index Fund I	N/A
GMOARIX	GM The Oakmark International Fund II	12 dollars per fund position
GMMDSPX	GM BlackRock Value Opport Fund Inc. A	12 dollars per fund position
GMMDLOX	GM BlackRock Global Allocation Fund	12 dollars per fund position
GMMDGCX	GM BlackRock Global SmallCap Fund In	12 dollars per fund position
GMMDFGX	GM BlackRock Capital Appreciation Fd A	12 dollars per fund position
GMLAFPX	GM Lord Abbett Affiliated Fund	12 dollars per fund position
GMKDSAX	GM DWS Dreman Small Cap Value Fund A	12 dollars per fund position
GMJHFIX	GM John Hancock Strategic Income Fund A	12 dollars per fund position
GMFSCTX	GM Fidelity Advisor Small Cap Fund T	12 dollars per fund position

Schedule C, Part I, line 2(h) Formula Description and Schedule C, Part I, line 3(e) Formula Description

Plan Name: WATERMAN BROADCASTING CORP 401K PLAN

Plan Number: 039613

Broker Dealer: Merrill Lynch

Ticker Symbol	Investment Name	Formula used to determine Sub-TA Compensation paid to Ascensus
GMCHTTX	GM ASTON/Fairpointe Mid Cap Fund N	12 dollars per fund position
GMPTTAX	GM PIMCO Total Return Fund A	12 dollars per fund position

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name WATERMAN BROADCASTING CORPORATION 401(K) PLAN **EIN:** 59-2308739
Plan Sponsor's Name WATERMAN BROADCASTING CORPORATION OF FLORIDA, INC. **PN:** 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	BlackRock	BlackRock Capital Appreciation Fund A	0	447,660
	BlackRock	BlackRock S & P 500 Index Fund I	0	241,929
	Invesco	Invesco Van Kampen Comstock Fund A	0	209,290
	John Hancock	John Hancock Strategic Income Fund A	0	244,839
	The Oakmark	The Oakmark International Fund II	0	206,212
	BlackRock	BlackRock Global Allocation Fund Inc.	0	421,484
	Merrill Lynch	Retirement Reserves(7dayYield:0.0%)	0	695,209

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name _____ **EIN:** _____
Plan Sponsor's Name _____ **PN:** _____

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	John Hancock	GM John Hancock Strategic Income Fund A	0	169,201
	The Oakmark	GM The Oakmark International Fund II	0	72,592
	BlackRock	GM BlackRock Global Allocation Fund	0	171,449
	Merrill Lynch	GM Retirement Reserves Money Fd Class 1	0	184,501
	PIMCO	PIMCO Total Return Fund A	0	299,176
	PIMCO	GM PIMCO Total Return Fund A	0	270,170
	IVY	IVY Limited Term Bond Y	0	88,455

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name _____ **EIN:** _____
Plan Sponsor's Name _____ **PN:** _____

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Janus	Janus Forty Fund A	0	4,497
	Templeton	Templeton Global Bond Fund A	0	2,976
	IVY	Ivy High Income Y	0	1,696
	BlackRock	BlackRock Equity Dividend Fund A	0	97,694
	JPMorgan	JPMorgan U.S. Equity Fund A	0	166,108
	Aston/Fairpointe	ASTON/Fairpointe Mid Cap Fund N	0	138,494
	DWS	DWS Dreman Small Cap Value Fund A	0	281,489

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name _____ **EIN:** _____
Plan Sponsor's Name _____ **PN:** _____

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	IVY	Ivy International Core Equity Fd A	0	446
	Oppenheimer	Oppenheimer International Growth Fund A	0	6,784
	Oppenheimer	Oppenheimer Developing Markets Fd A	0	78,896
	ING	ING Real Estate Fund A	0	55,521
	JPMorgan	JPMorgan Smart Retirement 2025 A	0	33
	JPMorgan	JP Morgan Smart Retirement 2035 A	0	169
	BlackRock	GM BlackRock Capital Appreciation Fd A	0	333,043

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name _____ **EIN:** _____

Plan Sponsor's Name _____ **PN:** _____

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Invesco	GM Invesco Van Kampen Comstock Fund A	0	439,333
	Aston/Fairpointe	GM ASTON/Fairpointe Mid Cap Fund N	0	71,019
	DWS	GM DWS Dreman Small Cap Value Fund A	0	128,061
	Oppenheimer	GM Oppenheimer Developing Mkts Fd A	0	75,264
	Oppenheimer	GM Oppenheimer Intl Growth Fund A	0	77,046
	Templeton	GM Templeton Global Bond Fund A	0	111,631
	BlackRock	Blackrock Global Opportunities Inv A	0	83,519