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§ 899.10 Definitions

(a) The definitions as contained in section 212 of the Public Service Law shall be followed in determining the appropriateness of any report.

(b) Uniform reporting system. The accounting and financial recordkeeping and reporting requirements prescribed by the commission in this part. The uniform reporting system is commonly abbreviated "URS".

(c) Generally accepted accounting principles and practices. Principles and practices that would be followed in posting financial transactions or preparing financial statements that would generally be acceptable to any other accountant: such generally accepted accounting principles would be those enumerated by the Accounting Principles Board (APB) and its successor, the Financial Accounting Standards Board (FASB).

§ 899.20 Applicability of recordkeeping requirements

(a) Recordkeeping requirements--all companies. Every cable television company shall maintain such books and records as will clearly and accurately disclose the condition and results of the business. Generally accepted accounting principles, as defined in Section 899.10(c) of this Part, shall be used in determining the appropriateness of any particular individual or group of accounting entries.

(b) The books of account shall include, but may not be limited to the following:

- (1) general ledger consisting of assets, liabilities, equity, revenue and expense accounts;
- (2) plant and equipment ledger; and
- (3) corporate minute book.

(c) The retention period for books and records will be as follows:

Records	Retention period
1. General ledger	Permanent
2. Plant and equipment ledger	Permanent
3. Corporate minute book	Permanent
4. Bank statement, cancelled checks, savings passbooks, etc.	3 years*
5. Vouchers, invoices, sales slips, etc.	3 years*
6. Customer billings, receipts, etc.	3 years
7. Construction contracts	12 years
8. Loan agreements	3 years after expiration of loan period or repayment, whichever is first*
9. Payroll records	3 years*

* Records pertaining to construction or purchase of additional plant equipment or replacement of plant equipment should be retained for 12 years.

(d) All books of account and related records as described in this subdivision shall be made available for examination within New York State, upon reasonable notice, in not to exceed 15 days.

(e) Exemptions and prohibitions.

(1) No franchising municipality or local governmental unit shall prescribe any system of accounts for use by a cable television company. (This paragraph shall not be construed as preventing a franchising municipality or local governmental unit from requiring financial or other data and/or reports to satisfy its informational needs.)

(f) Recordkeeping requirements--specified companies. Any person who is a cable television company and files a consolidated AFR or who excludes cable television activities originating outside of New York State, pursuant to section 899.82 of this Part, or excludes activities arising from noncable television activities originating within New York State from inclusion on part II of its AFR, pursuant to section 899.83 of this Part, shall maintain its books and records so that the activities of each company are separately identifiable.

§ 899.21 Accounts

Section 599.21(a)(1) and (2) are deleted.

(a) All work papers used in calculating account balances and transaction totals shall be permanently maintained as part of the general ledger.

(b) If account balances and transaction totals are not posted directly to the accounts but are posted from entries or totals contained in another system of accounts, such books, including general and subsidiary ledgers and supporting books and records shall be preserved as long as the books of account prescribed by the URS are preserved.

(c) All reports shall reflect the accrual basis of accounting. Generally accepted accounting principles shall be used in establishing the accounting treatment of any financial transaction, except that the commission may require such accounting treatment as will yield information necessary to a proper discharge of the commission's responsibilities.

§ 899.80 Filing of financial reports--general

By not later than 90 days following the close of its fiscal year, every cable television company, except a cable television company which is one solely by reason of its ownership or control of another cable television company, shall file an annual financial report with the commission as described in sections 899.81-899.83 of this Part.

§ 899.81 Selection of fiscal year

A cable television company may select any 12-month period as its fiscal year for purposes of this Part. No cable television company may change such fiscal year without having first obtained the written permission of the commission.

§ 899.82 Different reports to be filed

(a) Every cable television company required to file an annual financial report shall file form AFR-1 using Generally Accepted Accounting Principles (GAAP) except as provided in subdivisions (b) and (d) of this section.

(b) Except as provided in subdivision (d) of this section, every cable television company having less than \$ 1,000,000 but \$ 500,000 or more of gross annual revenues shall file form AFR-2 using GAAP.

(c) Except as provided in subdivision (d) of this section, every cable television company having less than \$ 500,000 of gross annual revenues shall file form AFR-3 unless a consolidated report is required, in which case form AFR-1 shall be filed using GAAP.

(d) Any cable television company may file form AFR-1 in lieu of form AFR-2 or form AFR-3.

(e) Any person subject to the jurisdiction of the commission may be required to file special financial reports, or other reports, in such form and manner as the commission may from time to time prescribe.

(f) Any group of affiliated cable television companies may elect to file a consolidated AFR starting on or after January 1, 1983. Notice shall be given to the commission, concurrently with the first consolidated AFR filed, of all companies included in the consolidation and of any companies excluded, and the reason for such exclusion. All affiliated cable television companies are eligible to file a consolidated AFR provided that:

- (1) the requirements of section 899.83 of this Part are met;
- (2) all cable television companies meeting the requirements of section 899.83 of this Part shall be included in the consolidated report;
- (3) only form AFR-1 shall be filed;
- (4) an election to file a consolidated AFR may not be revoked without written permission of the Commission.

§ 899.83 Nature of filed reports

(a) All financial reports shall accurately and clearly disclose all financial transactions, account balances and such other information as may be required, and all such data shall be set forth in accordance with this Part and the instructions specified on the report forms.

(b) Financial reports, statements or schedules required to be prepared on a consolidated basis.

(1) Shall exclude any company whose fiscal year is more than 93 days different from that of its parent.

(2) May exclude the account balance and transaction totals of any company where:

(i) The parent is authorized by the Securities and Exchange Commission to exclude such company from reports submitted to that commission.

(ii) Such company is engaged in operations which are totally unrelated to the operations of the cable television company.

(iii) The investment of the parent in such subsidiary is of a temporary nature.

(iv) The operations of such company are trifling and have no material effect on the consolidated operations from an accounting viewpoint.

(c) Whenever a cable television company excludes from the consolidated portion of its report account balances and transaction totals in accordance with subdivisions (a) and (b) of this section, it shall attach to said report a separate financial report for the excluded company. The separate report shall be in the same form and detail as the consolidated portion of the cable television company's report.

(d) Every cable television company that is affiliated with another cable television company is eligible to file a consolidated AFR. For purposes of this section, affiliation shall be defined as having 100 percent ownership in another cable television company operating in whole or in part of New York State or being 100 percent owned by such a company.

(e) Every cable television company that operates in whole or part, in a state other than New York, or which has significant noncable television activities shall only report its New York State cable television activities on part II of its AFR, all other activities, including New York State cable television activities, shall be included on part III of its AFR. For purposes of this section, significant activity shall be defined as:

(1) any noncable television related activity which generates more than 10 percent of gross annual revenues or expenses, or which requires more than 10 percent of a company's assets, or is responsible for more than 10 percent of its liabilities; and

(2) can reasonably be expected to be of a continuing nature.

(f) The commission may order the filing of individual annual financial reports instead of or in addition to a consolidated financial report if it determines that its informational needs require such filing.

§ 899.90 Obligation of cable television company to notify commission

(a) A person who is a cable television company and ceases to be so shall promptly notify the commission of that fact and file, no later than 30 days after it ceases to be a cable television company, a final financial report in the form and manner prescribed by the commission.

(b) A person who is a cable television company and sells or otherwise divests itself of all, or a substantial part of a cable television system or another cable television company shall promptly notify the commission of that fact and file, no

later than 30 days after the sale or divestiture is completed, a final financial report in the form and manner prescribed by the commission. For the purposes of this subdivision, the phrase sells or otherwise divests shall include not only the sale of property but also changes of ownership or control.

(c) Every cable television company shall notify the commission, and continue to keep the commission informed, whenever a significant change in the financial position of such company occurs or is about to occur. For purposes of this section, a significant change in the financial position shall include, but not be limited to:

- (1) inability to meet current payments as they come due;
- (2) contemplation of filing a petition in bankruptcy or for a court-ordered reorganization;
- (3) suspension of corporate stock from trading on a regulated exchange by action of the stock exchange or the Securities and Exchange Commission; and
- (4) notification that financial reports or practices are under investigation by any government agency, Federal or State, but this shall not include tax audits or similar audits or investigations which are conducted periodically and are not unusual in scope or nature.