

RADIO BILINGÜE, INC.
Fresno, California

Financial Statements

**For the Years Ended
September 30, 2022 and 2021**

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

SEPTEMBER 30, 2022 AND 2021

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Jaribu W. Nelson, CPA

P.O. Box 1105, Clovis, CA 93613 • Ph: (559) 286-7546 • Email: jaribucpa@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Radio Bilingüe, Inc.
Fresno, California

Opinion

We have audited the accompanying financial statements of Radio Bilingüe, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Radio Bilingüe, Inc. as of September 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Radio Bilingüe, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Radio Bilingüe, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Radio Bilingüe, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Radio Bilingüe, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2023, on our consideration of Radio Bilingüe, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Radio Bilingüe, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Radio Bilingüe, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

The financial statements of Radio Bilingüe, Inc. as of September 30, 2021, were audited by other auditors whose report dated May 9, 2022, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Jaribu W. Nelson, CPA

Clovis, California
April 10, 2023

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

STATEMENTS OF FINANCIAL POSITION
September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
<i>ASSETS</i>		
Cash and Cash Equivalents	\$ 3,745,267	\$ 3,361,589
Accounts Receivable	-	8,094
Prepaid Expenses	51,317	20,897
Other Assets	143,090	113,090
Grants Receivable (Note 3)	768,332	817,162
Property and Equipment, Net of Accumulated Depreciation (Notes 1 and 4)	<u>773,328</u>	<u>666,770</u>
<i>TOTAL ASSETS</i>	<u>\$ 5,481,334</u>	<u>\$ 4,987,602</u>
LIABILITIES AND NET ASSETS		
<i>LIABILITIES</i>		
Accounts Payable	\$ 121,653	\$ 50,663
Accrued Expenses	88,255	75,126
Other Liabilities	3,066	2,837
Unearned Revenue (Notes 1 and 3)	<u>872,431</u>	<u>799,384</u>
<i>TOTAL LIABILITIES</i>	<u>1,085,405</u>	<u>928,010</u>
<i>NET ASSETS</i>		
Without Donor Restrictions	4,375,929	3,909,592
With Donor Restrictions	<u>20,000</u>	<u>150,000</u>
<i>TOTAL NET ASSETS</i>	<u>4,395,929</u>	<u>4,059,592</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,481,334</u>	<u>\$ 4,987,602</u>

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Totals for 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Totals	2021 Totals
<i>REVENUES</i>				
Contribution Revenue:				
Individual	\$ 30,373	\$ -	\$ 30,373	\$ 28,303
Foundation	247,063	-	247,063	169,000
Grant Revenue:				
Foundations	833,280	20,000	853,280	1,704,579
Corporation for Public Broadcasting				
CSG & American Rescue Plan Stabilization	408,604	-	408,604	277,461
Government Direct	71,116	-	71,116	248,315
Production Revenue:				
Businesses (Primarily Awarding Government Subcontracts)	964,125	-	964,125	1,293,233
Non-Profit and Community Based Organizations	597,182	-	597,182	434,158
Other Revenue	16,094	-	16,094	6,967
Interest Income	37	-	37	-
In-Kind Contributions	331,711	-	331,711	427,318
<i>TOTAL REVENUES BEFORE NET ASSETS RELEASED FROM RESTRICTIONS</i>	3,499,585	20,000	3,519,585	4,589,334
Net Assets Released from Restrictions	150,000	(150,000)	-	-
<i>TOTAL REVENUES AFTER RECLASSIFICATION OF NET ASSETS RELEASED FROM RESTRICTIONS</i>	3,649,585	(130,000)	3,519,585	4,589,334
<i>EXPENDITURES</i>				
Program services:				
Programming and Production	1,323,285	-	1,323,285	1,243,391
Broadcast	1,124,172	-	1,124,172	841,155
Fundraising:				
Grants and Underwriting	197,718	-	197,718	322,042
Management and General:				
Grants Administration	71,137	-	71,137	76,505
Management and General	466,936	-	466,936	266,617
<i>TOTAL EXPENDITURES</i>	3,183,248	-	3,183,248	2,749,710
<i>CHANGE IN NET ASSETS</i>	466,337	(130,000)	336,337	1,839,623
<i>NET ASSETS,</i>				
Beginning of year	3,909,592	150,000	4,059,592	2,219,969
<i>NET ASSETS,</i>				
End of year	\$ 4,375,929	\$ 20,000	\$ 4,395,929	\$ 4,059,592

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Totals for 2021)

	Program Services		Fundraising	Management and General		2022 Total	2021 Total
	Programming and Production	Broadcast	Grants and Underwriting	Grants Administration	Management and General		
<u>Operating Expenses</u>							
Salaries and Fringe Benefits	\$ 759,618	\$ 237,427	\$ 170,827	\$ 67,237	\$ 129,354	\$ 1,364,463	\$ 1,225,341
Professional Fees	245,370	78,510	5,580	-	218,822	548,282	320,669
Consumable Supplies	7,654	282	-	22	22,081	30,039	15,448
Telephone	27,542	33,135	4,880	2,228	13,745	81,530	71,776
Postage and Shipping	827	1,832	-	-	1,025	3,684	5,581
Rent	33,165	149,198	-	-	2,565	184,928	177,382
Buildings and Grounds	24,322	27,634	683	187	510	53,336	25,537
Utilities	23,062	75,664	1,958	515	3,183	104,382	92,370
Insurance	10,365	1,068	2,593	763	5,470	20,259	39,291
Equipment Rental and Maintenance	6,727	33,538	2,148	118	15,498	58,029	25,407
Depreciation	-	158,277	-	-	2,323	160,600	188,671
Printing and Publications	109	-	-	-	-	109	35
Conferences and Meetings	50	-	111	-	-	161	81
Travel	5,448	49,243	135	-	27	54,853	30,999
Production Expenses:							
Production Supplies	1,374	-	-	-	9,378	10,752	481
Satellite	-	21,338	-	-	-	21,338	22,490
Acquisitions and Distributions	67,190	-	-	-	-	67,190	96,208
Advertising	1,973	-	1,040	-	3,383	6,396	8,384
Membership and Dues	3,603	-	7,604	-	125	11,332	9,953
Interest and Miscellaneous	25,686	4,515	159	67	13,218	43,645	35,647
Equipment	-	-	-	-	26,229	26,229	36,641
Subtotal	1,244,085	871,661	197,718	71,137	466,936	2,851,537	2,428,392
<u>In-Kind Expenses</u>							
Volunteer Services	79,200	-	-	-	-	79,200	74,360
All Other Services	-	252,511	-	-	-	252,511	239,830
Property/Space	-	-	-	-	-	-	7,128
Subtotal	79,200	252,511	-	-	-	331,711	321,318
Total Expenses	\$ 1,323,285	\$ 1,124,172	\$ 197,718	\$ 71,137	\$ 466,936	\$ 3,183,248	\$ 2,749,710

See Independent Auditor's Report and Notes to Financial Statements

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 336,337	\$ 1,839,623
Adjustments to Reconcile Net Assets to Net		
Cash Provided by (Used in) Operating Activities:		
Depreciation Expense	160,600	188,671
(Increase) Decrease in Grants Receivable	48,830	(376,709)
(Increase) Decrease in Accounts Receivable	8,094	4
(Increase) Decrease in Prepaid Expenses	(30,420)	3,062
(Increase) Decrease in Other Assets	(30,000)	(106,000)
Increase (Decrease) in Accounts Payable	70,990	7,761
Increase (Decrease) in Other Liabilities	229	(2,099)
Increase (Decrease) in Accrued Expenses	13,129	5,077
Increase (Decrease) in Unearned Revenue	73,047	(12,523)
Loss on Disposal of Fixed Assets	26,229	-
Net Cash Provided by (Used in) Operating Activities	677,065	1,546,867
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(293,387)	(6,689)
Net Cash Provided by (Used in) Investing Activities	(293,387)	(6,689)
CHANGE IN CASH AND CASH EQUIVALENTS	383,678	1,540,178
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	3,361,589	1,821,411
CASH AND CASH EQUIVALENTS, END OF THE YEAR	\$ 3,745,267	\$ 3,361,589

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Radio Bilingüe, Inc. (the Organization), is a nonprofit California public media corporation which operates noncommercial FM public radio stations: KSJV in Fresno, CA; KMPO in Modesto, CA; KTQX in Bakersfield, CA; KHDC in Salinas, CA; KUBO in El Centro, CA; KVUH in Laytonville, CA; KREE in Douglas, AZ; KVMG in Raton, NM; KYOL in Chama, NM; KQTO in Hurley, NM; KHUI in Alamosa, CO; KRZU in Batesville, TX; KHEM in Zapata, TX; KRBP in Presidio, TX and KXJT in Rio Grande City, TX. It also operates noncommercial FM public radio station translators: K233AV in Paso Robles, CA; K246BO in Paso Robles, CA; K281BR in Hollister, CA; K225BQ in Santa Margarita, CA; K258CK in Barstow, CA; K264BQ in Palmdale, CA; K254CA in Guadalupe, CA; K266BX in Cactus City, CA; K229CN in Tassajara, CA and K224EV in Ligaruta, AZ. It produces a national news and information service and satellite programming service serving the nation's public broadcasting system.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Accounting Policy Adoption

During the year ended September 30, 2022, the Organization adopted Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The new guidance requires nonprofit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The standard also increases the disclosure requirements around contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. Adoption of this standard did not have a significant impact on the financial statements, with the exception of increased disclosure.

New Accounting Pronouncement Not Yet Effective

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which requires the recognition of a “right to use” asset and a lease liability, initially measured at the present value of the lease payments, on all of the Organization’s lease obligations. This ASU is effective for fiscal years beginning after December 15, 2021. Management does not expect this ASU to have a significant impact on the Organization’s financial statements.

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification of Net Assets

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and Board of Directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in local banks.

Concentration of Credit Risk

Radio Bilingüe, Inc. maintains a bank account at Wells Fargo Bank. The account at this bank is insured by the Federal Deposit Insurance Corporation (FDIC). The uninsured portion of this balance was \$3,504,648 and \$3,142,411 as of September 30, 2022 and 2021, respectively.

Revenue

Radio Bilingüe, Inc. receives substantially all of its grant and contract revenue from foundations; businesses and non-profit organizations (the majority of which serve as intermediaries for state, federal and local government revenues for public service outreach); Corporation for Public Broadcasting, and some direct state and local revenues. Radio Bilingüe, Inc. recognizes contract revenue (up to the contract ceiling) from its contracts, either on a cost reimbursement basis or on a production basis depending on how performance is defined by the respective contracts. Revenue recognition depends on the contract.

Contract revenue that has not yet been expended for the purpose of the grant/contract is recorded as unearned revenue.

Any of the funding sources may, at its discretion, request reimbursement for expenses or return of funds, or both, as a result of noncompliance by Radio Bilingüe, Inc. with the terms of the grants/contracts.

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

Contributions received are recorded depending on the existence and/or nature of any donor restrictions. Radio Bilingüe, Inc. received contributions with donor-imposed restrictions of \$20,000 and \$150,000 for the years ended September 30, 2022 and September 30, 2021, respectively. Contributions for property, space and professional services are recorded at their fair market value of \$331,711 and \$427,318 for the years ended September 30, 2022 and 2021, respectively.

Donated Goods and Services

Donated in-kind gifts are recognized as contributions if they have ascertainable fair values and are able to be realized in cash or other liquid assets. Donated services are recognized as contributions if they 1) significantly enhance nonfinancial assets, or 2) involve a specialized service that would otherwise have been purchased and whose values can be objectively measured.

A substantial number of volunteers have donated their time to the Organization's program services and operations during the year. However, these donated services are not reflected in the financial statements since the services do not require specialized skills. Donated professional services are reflected in the statements of activities at their fair value.

Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or assets. The Organization received in-kind support used for program and other activities in the amounts of \$331,711 and \$427,318 for the years ended September 30, 2022 and 2021, respectively.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of receipt. Depreciation is computed using the straight-line method. Repairs and maintenance are charged to operating expenses as incurred. Individual items with the cost of \$3,000 or greater are capitalized.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs were \$6,396 and \$8,384 for the years ended September 30, 2022 and 2021, respectively.

Retirement Plan

The Organization sponsors a 403(b) retirement plan (the Plan) covering substantially all employees who meet certain eligibility requirements. Employees may elect to have a portion of their salary deferred and contributed to the Plan. The Organization elects to make contributions to the Plan. Discretionary contributions are allocated based on compensation. All contributions to the Plan are 100% vested. The Organization made a contribution of \$20,704 and \$17,843 for the years ended September 30, 2022 and 2021.

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Radio Bilingüe, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and, therefore, has made no provision for federal income taxes in the accompanying financial statements. In addition, Radio Bilingüe, Inc. has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the years ended September 30, 2022 and 2021.

Generally accepted accounting principles provides accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax position and believes that all positions taken in its federal and state exempt information returns are more likely than not to be sustained upon examination. The Organization files exempt organization information returns in the U.S. Federal and California state jurisdictions. The Organization’s returns are subject to examination by federal and state taxing authorities, generally for three years, respectively, after they are filed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the Organization’s various charitable and general services have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, direct and indirect expenses have been allocated to program services or other activities based on their specific identification or the personnel resources utilized in the function. Supporting services consist principally of general, administrative and management costs and fundraising activities not directly allocable to program services.

The expenses that are allocated include the following:

<u>Expenses</u>	<u>Method of Allocation</u>
Salaries and Fringe Benefits	Time & Effort
Telephone	Time & Effort
Buildings and Grounds	Time & Effort
Utilities	Time & Effort
Insurance	Time & Effort
Equipment Rental and Maintenance	Time & Effort

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications had no impact on previously reported net assets as of September 30, 2021.

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 2 – AVAILABILITY AND LIQUIDITY

The following represents Radio Bilingüe, Inc.’s financial assets as of September 30:

	<u>2022</u>	<u>2021</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 3,745,267	\$ 3,361,589
Grants and accounts receivable	<u>768,332</u>	<u>825,256</u>
Total financial assets	<u>4,513,599</u>	<u>4,186,845</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>20,000</u>	<u>150,000</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 4,493,599</u>	<u>\$ 4,036,845</u>

As part of the Organization’s liquidity management plan, cash in excess of daily requirements are maintained in cash and cash equivalent accounts for immediate access should those funds be needed. Funds in excess of daily cash requirements may be used to meet unexpected liquidity needs.

NOTE 3 – GRANTS RECEIVABLE/UNEARNED REVENUE

As of September 30, 2022 and 2021, net accounts receivable and unearned revenue from grants and contracts were comprised of the following:

<u>Source</u>	<u>2022</u>		<u>2021</u>	
	<u>Receivable</u>	<u>Unearned</u>	<u>Receivable</u>	<u>Unearned</u>
<u>Federal Government</u>				
Corporation for Public Broadcasting	\$ -	\$ -	\$ -	\$ 164,898
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>164,898</u>
<u>State Government</u>				
California State University, Fresno Foundation (for Office of Community and Economic Development)	-	-	6,240	-
UC Davis	<u>23,306</u>	<u>35,000</u>	<u>58,201</u>	<u>35,000</u>
Subtotal	<u>23,306</u>	<u>35,000</u>	<u>64,441</u>	<u>35,000</u>
<u>Local Government</u>				
Imperial County Behavioral Health Services	26,500	-	-	-
County of Kern	-	-	44,000	33,750
Madera County Department of Public Health	<u>1,750</u>	<u>-</u>	<u>6,240</u>	<u>-</u>
Subtotal	<u>28,250</u>	<u>-</u>	<u>50,240</u>	<u>33,750</u>

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 3 – GRANTS RECEIVABLE/UNEARNED REVENUE (Continued)

<u>Source (Continued)</u>	2022		2021	
	Receivable	Unearned	Receivable	Unearned
<u>Foundations</u>				
Sierra Health Foundation	\$ -	\$ 14,250	\$ -	\$ 50,250
The Packard Foundation	-	4,300	-	55,650
The James Irvine Foundation	-	326,800	-	243,150
Community Foundation for Monterey County	-	25,750	-	3,350
The California Endowment	6,000	25,300	-	38,000
Haas, Jr.	-	27,369	-	27,369
Lemala Fund	-	145,097	-	45,097
California Healthcare Foundation	-	10,000	-	-
CVCF-Microsoft	18,250	58,500	-	2,250
California Community Foundation	-	-	-	69,372
Latino Community Foundation	-	-	-	14,500
The Ford Foundation	-	-	150,000	-
California Fire Foundation/California Rises	-	-	-	5,000
Sutotal	24,250	637,366	150,000	553,988
<u>Business and Community Based Organizations</u>				
Imprenta Communications Group	-	2,100	-	2,770
Cultiva La Salud	-	6,960	-	-
The Colorado Trust	-	153,000	-	-
BARÚ Advertising for CA	-	-	76,466	-
Sensis Agency for CA State	404,073	-	15,456	-
iHeartMedia for CA State	7,914	-	83,384	-
MOB Media	52,020	-	39,780	-
JP Marketing	2,750	-	2,397	-
Media Solutions	39,558	-	107,627	-
Valley CAN	6,000	-	4,000	-
La Cooperativa Campesina de California	15,000	-	50,200	-
PG&E	-	200	-	2,250
American Red Cross	57,710	-	-	-
United Ways of California	-	-	3,600	-
The Sax Agency / CA Secretary of State	-	-	28,631	-
Centro La Familia	-	5,251	-	-
Alliance for California Traditional Arts	10,000	30,000	-	-
Mendez Marketing	1,666	-	-	-
Ideas Multicultural Communications	2,601	2,554	-	-
CBDIO	-	-	-	5,300
The National Center for Farmworker Health	69,433	-	115,945	-
California Rural Legal Assistance (CRLA)	7,600	-	4,000	-
Tzunu Strategies	9,945	-	9,945	-
Runyon Saltzman, Inc	-	-	11,050	-
Ethnic Media Services	6,256	-	-	1,428
Subtotal	692,526	200,065	552,481	11,748
Total	\$ 768,332	\$ 872,431	\$ 817,162	\$ 799,384

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 4 – PROPERTY AND EQUIPMENT

	Beginning Balances 10/1/2021	Additions	Deletions	Ending Balances 9/30/2022
Land	\$ 88,033	\$ -	\$ -	\$ 88,033
Building and Improvements	279,258	-	(4,751)	274,507
Broadcasting Equipment	2,760,677	108,300	(159,000)	2,709,977
Furniture and Equipment	11,517	-	-	11,517
Construction in Progress	5,276	185,087	-	190,363
Total	3,144,761	293,387	(163,751)	3,274,397
Accumulated Depreciation	(2,477,991)	(160,600)	137,522	(2,501,069)
Property and Equipment, Net	<u>\$ 666,770</u>	<u>\$ 132,787</u>	<u>\$ (26,229)</u>	<u>\$ 773,328</u>

Depreciation expense for the years ended September 30, 2022 and 2021 was \$160,600 and 188,671, respectively.

NOTE 5 – LINE OF CREDIT

In July 2014, Radio Bilingüe, Inc. entered into an agreement with a Private Foundation for access to a revolving line of credit. The balance on the account shall not at any time exceed the greater of: (a) \$300,000 or (b) the amount supported by the current Grant Receivables, as determined by the Foundation in its sole discretion. Radio Bilingüe’s right to withdraw funds from the account is subject to the satisfaction of various conditions, unless waived in writing by the Foundation in its sole and absolute discretion. A “Request for Withdrawal and Draw Package” must be completed including copies of current Grant Receivables which support the withdrawal and the proceeds of which shall be the source of repayment of such withdrawal. Radio Bilingüe shall replenish to the account funds received from proceeds from Grant Receivables from the various sources of such grants within ten days. There was no outstanding balance as of September 30, 2022. The credit line is for operational purposes.

NOTE 6 – CONTINGENCIES

Continued program funding is contingent upon the availability of funds from foundations, businesses, other non-profits, the Corporation for Public Broadcasting, federal, state, and local funding sources, and project performance. Periodic audits may be performed by granting agencies and certain costs may be questioned as not being reimbursable under the terms of the contract. Such audits could lead to reimbursement to the granting agency. Until such audits have been completed, there exists a contingency to refund any amount received in excess of allowable costs.

RADIO BILINGÜE, INC.
FRESNO, CALIFORNIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 7 – NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restrictions consist of the following as of September 30:

	<u>2022</u>	<u>2021</u>
Subject to the passage of time	\$ -	\$ 150,000
Subject to purpose restriction	<u>20,000</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$ 20,000</u>	<u>\$ 150,000</u>

NOTE 8 – LEASE COMMITMENTS

The Organization leases space and facilities under various operating leases expiring at various dates through 2082 and on a month-to-month basis.

Future minimum lease payments under operating leases that have remaining terms in excess of one year as of September 30, are as follows:

Years Ending September 30,	Operating Leases
2023	\$ 148,008
2024	147,907
2025	113,905
2026	106,963
2027 and thereafter	<u>1,809,291</u>
Total minimum lease payments	<u>\$ 2,326,074</u>

Rental and related expenses for all leases for the years ended September 30, 2022 and 2021, totaled \$184,928 and \$177,382, respectively.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated and concluded that there are no subsequent events that have occurred from September 30, 2022, through the date the financial statements were available to be issued on April 10, 2023, that would require disclosure or adjustment.



Jaribu W. Nelson, CPA

P.O. Box 1105, Clovis, CA 93613 • Ph: (559) 286-7546 • Email: jaribucpa@gmail.com

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Radio Bilingüe, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Radio Bilingüe, Inc., (the “Organization”) which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Organization’s financial statements, and have issued our report thereon dated April 10, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jaribu W. Nelson, CPA

Jaribu W. Nelson, CPA

April 10, 2023