

INDEPENDENT AUDITORS' REPORT

October 16, 2018

Board of Directors
The Public Broadcasting Foundation of
Northwest Ohio
Toledo, Ohio

We have audited the accompanying financial statements of **The Public Broadcasting Foundation of Northwest Ohio** (the "Foundation"), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Independent Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements 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 the Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **The Public Broadcasting Foundation of Northwest Ohio** as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.



THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

STATEMENTS OF FINANCIAL POSITION

ASSETS	June 30	
	2018	2017
Current assets		
Cash and cash equivalents	\$ 2,885,126	\$ 2,668,884
Restricted cash	12,705	12,705
Accounts receivable, less allowance for doubtful accounts of \$2,500	62,987	72,490
Unconditional promises to give, less allowance for doubtful pledges of \$6,500	140,833	188,837
Prepaid expenses and other assets	62,414	60,198
Total current assets	3,164,065	3,003,114
Investments	4,297,035	4,173,058
Beneficial interest in perpetual trust	83,963	79,343
Deposits and other assets	12,075	12,075
Net property and equipment	4,102,174	4,309,597
Total assets	\$ 11,659,312	\$ 11,577,187
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 142,056	\$ 115,498
Accrued compensation including payroll taxes	29,749	29,306
Funds held as fiscal agent	12,705	12,705
Total current liabilities	184,510	157,509
Deferred income - underwriting, grants, and other	68,974	130,959
Total liabilities	253,484	288,468
Net assets		
Unrestricted		
Undesignated	8,286,561	8,245,652
Board-designated for endowment	2,324,868	2,185,058
Total unrestricted	10,611,429	10,430,710
Temporarily restricted	710,436	778,666
Permanently restricted	83,963	79,343
Total net assets	11,405,828	11,288,719
Total liabilities and net assets	\$ 11,659,312	\$ 11,577,187

The accompanying notes are an integral part of these financial statements.

THE PUBLIC BROADCASTING FOUNDATION OF NORTHWEST OHIO

STATEMENTS OF ACTIVITIES

	Year Ended June 30, 2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenue				
Memberships - TV and FM	\$ 1,246,348	\$ -	\$ -	\$ 1,246,348
OET Network Commission	695,682	-	-	695,682
Corporation for Public Broadcasting	965,569	-	-	965,569
Underwriting	243,041	-	-	243,041
State Department of Education	137,863	-	-	137,863
State Department of Human Services	51,625	-	-	51,625
Special events, less direct expenses of \$301,099 in 2018 and \$296,807 in 2017	298,901	-	-	298,901
Projects and production services	355,187	5,000	-	360,187
School contracts	14,115	81,488	-	95,603
Contributions - businesses, foundations, and governments	41,483	99,599	-	141,082
Investment gains, net	219,156	-	-	219,156
Change in fair value of beneficial interest in perpetual trust	-	-	4,620	4,620
Other	164,987	-	-	164,987
Net assets released from restrictions	254,317	(254,317)	-	-
Total support and revenue	4,688,274	(68,230)	4,620	4,624,664
Expenses				
Program services				
TV programming	884,241	-	-	884,241
TV production	653,267	-	-	653,267
TV and FM engineering	212,062	-	-	212,062
FM programming and production	618,161	-	-	618,161
TV educative services	173,774	-	-	173,774
Public information	107,080	-	-	107,080
Total program services	2,648,585	-	-	2,648,585
Supporting services				
Development	279,179	-	-	279,179
Interdepartmental services	1,113,488	-	-	1,113,488
Administrative	466,303	-	-	466,303
Total supporting services	1,858,970	-	-	1,858,970
Total expenses	4,507,555	-	-	4,507,555
Changes in net assets	180,719	(68,230)	4,620	117,109
Net assets, beginning of year	10,430,710	778,666	79,343	11,288,719
Net assets, end of year	\$ 10,611,429	\$ 710,436	\$ 83,963	\$ 11,405,828

The accompanying notes are an integral part of these financial statements.