

*Consolidated Financial Report*

*Greater New Orleans Educational  
Television Foundation and Subsidiaries*

*September 30, 2025*



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## **TABLE OF CONTENTS**

### **Greater New Orleans Educational Television Foundation and Subsidiaries** New Orleans, Louisiana

September 30, 2025 and 2024

	<u>Page Numbers</u>
<b>Financial Section</b>	
Independent Auditor's Report	1 - 3
<b>Exhibits</b>	
A - Consolidated Statement of Financial Position	4
B - Consolidated Statement of Activities	5
C - Consolidated Statement of Functional Expenses	6
D - Consolidated Statement of Cash Flows	7 - 8
E - Notes to Consolidated Financial Statements	9 - 31
<b>Supplemental Information</b>	
<b>Schedules</b>	
1 - Consolidating Statement of Financial Position	32
2 - Consolidating Statement of Activities	33
3 - Consolidated Schedule of Support and Revenues	34 - 35
<b>Special Reports of Certified Public Accountants</b>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Performed Matters Based on an Audit of Financial Statements in Accordance with <i>Government Auditing Standards</i>	36 - 37
Schedule of Findings and Responses	38 - 39
<b>Reports by Management</b>	
Schedule of Prior Year Findings and Responses	40
Management's Corrective Action Plan	41

**FINANCIAL SECTION**

## **INDEPENDENT AUDITOR’S REPORT**

To the Board of Trustees,  
Greater New Orleans Educational Television Foundation,  
New Orleans, Louisiana.

### **Report on the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of Greater New Orleans Educational Television Foundation (a non-profit organization) and Subsidiaries, which comprise the consolidated statement of financial position as of September 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Greater New Orleans Educational Television Foundation and Subsidiaries as of September 30, 2025, and the consolidated changes in its net assets and its cash flows for the year then ended in conformity 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 Consolidated Financial Statements section of our report. We are required to be independent of Greater New Orleans Educational Television Foundation and Subsidiaries 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 Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater New Orleans Educational Television Foundation and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Greater New Orleans Educational Television Foundation and Subsidiaries' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater New Orleans Educational Television Foundation and Subsidiaries' 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.

### **Report on Summarized Comparative Information**

We have previously audited Greater New Orleans Educational Television Foundation and Subsidiaries' consolidated financial statements as of and for the year ended September 30, 2024, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated January 28, 2025. In our opinion, the summarized comparative information presented herein as of and for year ended September 30, 2024 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information (Schedules 1 through 3) is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated February 24, 2026, on our consideration of Greater New Orleans Educational Television Foundation and Subsidiaries' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 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 Greater New Orleans Educational Television Foundation and Subsidiaries' internal control over financial reporting and compliance.



Certified Public Accountants.

New Orleans, Louisiana,  
February 24, 2026.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****Greater New Orleans Educational  
Television Foundation and Subsidiaries**

New Orleans, Louisiana

September 30, 2025

(with comparative totals for September 30, 2024)

	<u>2025</u>	<u>2024</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 2,836,331	\$ 2,018,986
Accounts receivable, net	53,694	60,083
Unconditional promises to give, net	-	283,750
Prepaid expenses	97,328	107,250
Investments	7,673,352	6,151,739
Operating lease right-of-use asset	418,194	458,781
Property and equipment, net of accumulated depreciation	<u>12,803,001</u>	<u>13,562,870</u>
Total assets	<u><u>\$23,881,900</u></u>	<u><u>\$22,643,459</u></u>
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 243,674	\$ 243,918
Deferred revenue	909,834	832,507
Operating lease liability	<u>422,779</u>	<u>461,092</u>
Total liabilities	<u>1,576,287</u>	<u>1,537,517</u>
<b>Net Assets</b>		
Without donor restrictions	20,634,687	19,440,011
With donor restrictions	<u>1,670,926</u>	<u>1,665,931</u>
Total net assets	<u>22,305,613</u>	<u>21,105,942</u>
Total liabilities and net assets	<u><u>\$23,881,900</u></u>	<u><u>\$22,643,459</u></u>

See notes to consolidated financial statements.

**CONSOLIDATED STATEMENT OF ACTIVITIES****Greater New Orleans Educational  
Television Foundation and Subsidiaries**

New Orleans, Louisiana

For the year ended September 30, 2025  
(with comparative totals for the year ended September 30, 2024)

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2025	2024
<b>Support and Revenues</b>				
Support:				
Contributions	\$ 3,239,304	\$ -	\$ 3,239,304	\$ 1,760,731
Grants from the Corporation for Public Broadcasting	852,254	-	852,254	1,260,306
Louisiana state grant	300,000	-	300,000	300,000
Other grants and tax credits	12,500	90,000	102,500	845,199
Program and production underwriting	683,507	-	683,507	540,979
Other support	361,870	-	361,870	303,069
Contributions of nonfinancial assets	309,979	-	309,979	353,423
Revenues:				
Miscellaneous sales, net	19,953	-	19,953	36,802
Contract and production services	463,023	-	463,023	468,845
Tower rental	27,234	-	27,234	27,234
Investment income, net	547,514	-	547,514	1,163,690
Loss on disposal of equipment	(63,615)	-	(63,615)	-
Total support and revenues	6,753,523	90,000	6,843,523	7,060,278
Net assets released from restrictions:				
Expiration of time and purpose restrictions	85,005	(85,005)	-	-
Total support and revenues	6,838,528	4,995	6,843,523	7,060,278
<b>Expenses</b>				
Program services	3,575,688	-	3,575,688	3,865,357
Management and general	1,291,183	-	1,291,183	1,308,037
Development	776,981	-	776,981	857,605
Total expenses	5,643,852	-	5,643,852	6,030,999
<b>Increase in Net Assets</b>	1,194,676	4,995	1,199,671	1,029,279
<b>Net Assets</b>				
Beginning of year	19,440,011	1,665,931	21,105,942	20,076,663
End of year	\$20,634,687	\$1,670,926	\$22,305,613	\$21,105,942

See notes to consolidated financial statements.

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES****Greater New Orleans Educational  
Television Foundation and Subsidiaries**

New Orleans, Louisiana

For the year ended September 30, 2025  
(with comparative totals for the year ended September 30, 2024)

	Program Services		Supporting Services		Total Expenses	
	Broadcasting	Engineering	Management And General	Development	2025	2024
Advertising	\$ 10,039	\$ -	\$ -	\$ 224	\$ 10,263	\$ 15,323
Credit loss (recovery)	(336)	-	-	-	(336)	(12,108)
Board of trustees' expenses	-	-	1,132	-	1,132	578
Building and grounds maintenance	311	413	91,636	-	92,360	69,117
Building rental	-	-	200,000	-	200,000	200,000
Direct mail solicitation	33	-	-	64,532	64,565	34,623
Employee travel and other personnel costs	3,649	-	3,164	818	7,631	18,701
Equipment rental and maintenance cost	78,699	43,106	83,129	12,521	217,455	168,221
Insurance	-	-	256,381	-	256,381	251,214
Interest	-	-	5,884	-	5,884	11,110
Membership premiums	-	-	-	36,275	36,275	36,198
Office supplies	2,123	472	2,122	1,299	6,016	5,176
Other expenses	49,750	1,515	48,348	153,579	253,192	300,821
Postage and shipping	225	221	229	45,604	46,279	61,483
Printing	120,388	-	-	9,481	129,869	143,102
Production costs	18,698	-	-	7,365	26,063	18,682
Professional services	144,875	2,524	145,034	193,219	485,652	551,836
Program rental fees	898,569	-	-	-	898,569	1,283,571
Salaries, payroll taxes, contract labor, and employee benefits	1,074,528	172,140	319,669	289,539	1,855,876	1,935,993
Telephone	18,928	9,341	19,185	3,852	51,306	51,675
Tower and transmission equipment rental	-	130,136	-	-	130,136	151,002
Utilities	-	270,560	-	-	270,560	221,928
	2,420,479	630,428	1,175,913	818,308	5,045,128	5,518,246
Depreciation expense	-	524,781	115,270	69,401	709,452	663,995
Less special events direct benefit to donor costs	-	-	-	(110,728)	(110,728)	(151,242)
Total functional expenses	<u>\$2,420,479</u>	<u>\$1,155,209</u>	<u>\$1,291,183</u>	<u>\$776,981</u>	<u>\$5,643,852</u>	<u>\$6,030,999</u>

See notes to consolidated financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS****Greater New Orleans Educational  
Television Foundation and Subsidiaries**

New Orleans, Louisiana

For the year ended September 30, 2025  
(with comparative totals for the year ended September 30, 2024)

	<u>2025</u>	<u>2024</u>
<b>Cash Flows From Operating Activities</b>		
Increase in net assets	\$1,199,671	\$1,029,279
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation expense	709,452	663,995
Loss on disposal of equipment	63,615	-
Realized and unrealized (gain) on investments, net	(349,161)	(1,011,630)
Accrued operating lease obligations	2,274	2,311
(Increase) decrease in operating assets:		
Accounts receivable and unconditional promises to give	6,389	251,483
Prepaid expenses	9,922	(502)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(244)	(237,393)
Deferred revenue	77,327	334,524
Revenues restricted for the acquisition of property and equipment:		
Pledges receivable, net of unamortized discount	(101,250)	(67,083)
	<u>1,617,995</u>	<u>964,984</u>
Net cash provided by operating activities		
<b>Cash Flows From Investing Activities</b>		
Purchases of property and equipment	(13,198)	(1,337,069)
Proceeds from sales and maturities of investments	1,050,210	1,541,254
Purchases of investments	(2,222,662)	(1,656,464)
	<u>(1,185,650)</u>	<u>(1,452,279)</u>
Net cash used in investing activities		

**Exhibit D  
(Continued)**

	<u>2025</u>	<u>2024</u>
<b>Cash Flows From Financing Activities</b>		
Collections of capital campaign support	385,000	620,000
Payments on notes payable	-	(177,618)
Payments on accounts payable used to finance acquisition of property and equipment	<u>-</u>	<u>(217,041)</u>
Net cash provided by financing activities	<u>385,000</u>	<u>225,341</u>
<b>Net (Increase) Decrease in Cash and Cash Equivalents</b>	817,345	(261,954)
<b>Cash and Cash Equivalents</b>		
Beginning of year	<u>2,018,986</u>	<u>2,280,940</u>
End of year	<u><u>\$2,836,331</u></u>	<u><u>\$2,018,986</u></u>

See notes to consolidated financial statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Greater New Orleans Educational  
Television Foundation and Subsidiaries**  
New Orleans, Louisiana

September 30, 2025 and 2024

**Note 1 - NATURE OF ACTIVITIES AND CONSOLIDATION**

WYES-TV is a community-owned, nonprofit public television station serving metropolitan New Orleans, southeastern Louisiana, and Mississippi Gulf Coast regions. Affiliated with the Public Broadcasting Service, WYES-TV is licensed to the Greater New Orleans Educational Television Foundation and governed by a board of trustees comprised of civic-minded individuals and distinguished community leaders.

The consolidated financial statements of Greater New Orleans Educational Television Foundation and Subsidiaries consist of the following organizations:

The Greater New Orleans Educational Television Foundation (the “Foundation”) is a nonprofit corporation organized under the laws of the State of Louisiana to provide educational television broadcast service to the New Orleans area. It is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax under the authority of R.S. 47:121(5). Net operating profits from unrelated business income are subject to Federal income tax.

Effective July 1, 1982, the Foundation incorporated a wholly owned subsidiary, Yescom Enterprises, Inc. (“Yescom”). The purpose of this corporation is to engage primarily in providing remote production services to third parties on a for-profit basis. All revenues generated by Yescom are dedicated to the Foundation and are used to fulfill the Foundation’s exempt purpose. Yescom was dissolved effective July 31, 2024.

John Besh’s My New Orleans, L.L.C. (“Besh”), wholly owned by the Foundation was founded in February 2010 to aid in the production of a television series. On October 12, 2015, Besh amended its articles of incorporation to change its corporate name to WYES Media Services, L.L.C. (“WYES Media Services”).

These companies are collectively referred to as “Greater New Orleans Educational Television Foundation and Subsidiaries”. Significant intercompany transactions and balances have been eliminated in consolidation.

## Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### a. Income Taxes

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of September 30, 2025 and 2024, management believes the Foundation and its Subsidiaries have no uncertain tax positions that qualify for either recognition or disclosure in the consolidated financial statements. Tax years ended September 30, 2022 and later remain subject to examination by taxing authorities.

### b. Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

### c. Basis of Accounting

The consolidated financial statements of the Greater New Orleans Educational Television Foundation and Subsidiaries are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as promulgated by the Financial Accounting Standards Board. Under this method, revenues are recognized when earned, and expenses are recorded when incurred.

### d. Basis of Presentation

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and Subsidiaries and changes therein are classified and reported as follows:

**Net Assets Without Donor Restrictions** - Net assets that are not subject to donor-imposed stipulations.

**Net Assets With Donor Restrictions** - Net assets subject to donor-imposed stipulations that will be met either by action of the Foundation and/or the passage of time, or net assets subject to donor-imposed stipulations that are maintained in perpetuity by the Foundation.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e. Cash and Cash Equivalents**

The Foundation and its Subsidiaries consider investments in money market funds to be cash equivalents, except for money market funds maintained in investment brokerage accounts which are reported as investments (see Note 5).

**f. Investments**

Investments in marketable securities, including mutual funds, exchange traded funds, and other investments are carried at fair market value in the Consolidated Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Consolidated Statement of Activities.

Unrealized gains and losses on investments are recorded as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Interest earned on donor restricted investments is reported based on the existence or absence of donor-imposed restrictions. Realized gains and losses on the sales of securities are determined using the specific-identification method. A decline in the fair value of investments below cost that is deemed to be other than temporary results in a charge to the change in net assets, and the establishment of a new cost basis for the investment.

**g. Promises to Give**

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. As of September 30, 2025 and 2024, there were no conditional promises to give.

**h. Contributions**

Contributions are recorded as support with or without donor restrictions depending on the existence and/or nature of any restrictions.

The Foundation reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statement of Activities as net assets released from restrictions.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i. Revenue Recognition**

The Foundation recognizes revenues in accordance with Accounting Standards Update (ASU) No. 2014-09, “*Revenue from Contracts with Customers*” (Topic 606). This ASU implements a single framework for revenue recognition, ensuring that revenue is recognized in a manner which reflects the consideration to which the entity expects to be entitled in exchange for goods and services. The Foundation records the following exchange transaction revenue in its Consolidated Statements of Activities for the years ended September 30, 2025 and 2024:

**Program and Production Underwriting**

Program and production underwriting revenue includes amounts received in exchange for recognition within the Foundation’s television programming. The Foundation recognizes underwriting revenue at the time the spots are aired on television and the performance obligation is satisfied.

**Contract and Production Services**

The Foundation provides contract and production services to third parties including studio rentals, mobile unit rentals, and related crew and staffing arrangements. Contract and production fees are fixed at the time of purchase based on price listings or negotiated rates. Performance obligations are satisfied, and revenue is recognized when the work is completed, and the customer is invoiced.

**Tower Rental**

The Foundation leases space on its tower to telecommunication companies. The performance obligation of providing access is satisfied over time, and revenue is recognized on a monthly basis according to the terms outlined in the tower rental agreements.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i. Revenue Recognition (Continued)**

For each of the preceding exchange transactions, contract receivables consist of amounts due and collectible for performance obligations already satisfied. Contract liabilities represent consideration received for performance obligations which have not yet been satisfied. Contract assets and liabilities as of the beginning and end of the years ended September 30, 2025 and 2024 are as follows.

	Contract Receivables	Contract Liabilities
October 1, 2023	\$311,566	\$497,983
September 30, 2024	\$ 60,083	\$832,507
September 30, 2025	\$ 53,694	\$909,834

The Foundation conducts fundraisers in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event, the exchange component, and a portion represents a contribution to the Foundation. The fair value of meals and entertainment provided at the event is measured at the actual cost to the Foundation. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs, which ultimately benefit the donor rather than the Foundation, are recorded as fundraising expenses in the Consolidated Statement of Activities. The performance obligation is the event. Financial Accounting Standard Board (FASB) ASU No. 2014-09 requires allocation of the transaction price to the performance obligation. Accordingly, the Foundation separately presents in Note 13 the exchange and contribution components of the gross proceeds from special events.

**j. Allowance for Expected Credit Losses**

The Foundation and its Subsidiaries provide for expected credit losses on a specific account basis as determined by management. Accounts receivables are comprised principally of balances due from third parties for remote production services and studio contract services. Management has recorded an allowance for expected credit losses of approximately \$2,800 and \$3,000 for accounts it deems unlikely to collect as of September 30, 2025 and 2024, respectively.

**k. Allowance for Uncollectible Unconditional Promises to Give**

The Foundation provides estimated uncollectible amounts pledges receivable based on management's analysis of specific promises made. Management believes all pledges are collectible, and there is no allowance for expected losses attributed to pledges receivable as of September 30, 2025 and 2024.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**l. Property and Equipment**

The Foundation and its Subsidiaries record all property and equipment acquisitions at cost except for those received through donation, which are recorded at estimated value as of the date of donation. Such donations are reported as support without donor restrictions. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation and its Subsidiaries report expirations of donor restrictions when the donated assets are placed in service as instructed by the donor. The Foundation and its Subsidiaries reclassify net assets with donor restrictions to net assets without donor restrictions at that time.

Property and equipment acquired with funds received through grants or contributions which stipulate a time period for the asset to be maintained are reported as net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions for expiration of time restrictions as the assets are depreciated or the time period expires.

Repairs and maintenance are charged to expense as incurred. It is the Foundation's policy to capitalize major renewals, replacements, and betterments of \$2,500 or more. Depreciation and amortization are determined using the straight-line method and are intended to write-off the cost of the property and equipment over their estimated useful lives which range from 3 to 39 years.

**m. Right-of-Use Assets and Lease Liabilities**

Right-of-use (ROU) assets represent the Foundation's right to use the underlying assets for the lease term and lease liabilities represent the net present value of the Foundation's obligation to make payments arising from these leases. The lease liabilities are based on the present value of fixed lease payments over the lease term using the Foundation's incremental borrowing rate on the lease commencement date. If the lease includes one or more options to extend the term of the lease, the renewal option is considered in the lease term if it is reasonably certain the Foundation will exercise the options. Operating lease expense is recognized on a straight-line basis over the term of the lease. Finance lease expense is recognized as amortization of the right to use asset and interest expense. As permitted by Accounting Standards Codification (ASC) 842, leases with an initial term of twelve months or less ("short-term leases") are not recorded on the accompanying Statement of Financial Position.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**n. Contributed Nonfinancial Assets**

On June 8, 1970, the Foundation exchanged operating frequencies with WVUE, a station owned and operated at that time by Screen Gems Broadcasting of Louisiana, Inc. Emmis Televisions Broadcasting, L.P. acquired the transmitter facilities and assumed the rights and obligations of the original exchange agreement. The exchange agreement required certain items of compensation to be paid to the Foundation. On November 30, 2003, the existing agreement was terminated by a new agreement under which the Foundation was paid a buyout payment of \$3,500,000 (see Note 2n) and a new antenna and transmission line, owned by the Foundation, was constructed. The Foundation will continue to receive the substantially free lease on the transmitter facilities, which is \$1 per year for 20 years through November 30, 2023 (see Note 12). The Foundation's policy is to record the current rental value as revenue and recognize a corresponding amount as an expense of fulfilling its exempt purposes. The current rental value is the amount that would be charged to a commercial customer as documented by Emmis Television Broadcasting, L.P. doing business as WVUE.

The Foundation records the value of the substantially free use of the land occupied by its studio and office building and recognizes a similar amount as expense.

Beginning in July of 2004, grant money was transferred to Louisiana Public Broadcasting (LPB) under a cooperative endeavor agreement. This grant money was used by LPB to purchase transmission equipment to be used by the Foundation. The use of the transmission equipment is at no cost to the Foundation, other than general maintenance, as long as the mission of public broadcasting does not change. In return, the State of Louisiana owns and insures the equipment. The estimate of the annual in-kind contributions and rental expense is \$67,362 and \$79,903 for the years ended September 30, 2025 and 2024, respectively.

**o. Deferred Revenue**

Deferred revenues are made up of program and production underwriting as well as contract and production services which have been funded, but not yet completed. Deferred revenues totaled \$909,834 and \$832,507 as of September 30, 2025 and 2024, respectively.

**p. Program Rental Fees**

Costs incurred for the acquisition of programs are amortized on a straight-line basis over the period of time in which the Foundation has rights to broadcast the programs as specified in the lease agreements with the program distributors.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**q. Unemployment Benefits**

In lieu of unemployment tax contributions, the Foundation has elected under the Louisiana Employment Security Law to reimburse the State of Louisiana for benefits paid by the State and charged against the account of the Foundation. The Foundation recognizes this expense in the period for which the benefits are billed by the State. The Subsidiaries pay unemployment taxes based on statutory rates on wages paid.

**r. Programs and Methods Used for Allocation of Expenses**

The Foundation and Subsidiaries' programs are divided into two categories (1) Broadcasting which encompasses the production and procurement of content to be delivered and (2) Engineering which encompasses the delivery of that content across the WYES-TV viewing area and through other dissemination such as online delivery.

Most of the expenses can be directly allocated to one of the programs or supporting functions. The financial statements also report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Personnel costs and related expenses are allocated based on time and level of effort. Building and occupancy related costs are allocated on an estimate of percentage of usage.

**s. Subsequent Events**

Management evaluates events occurring subsequent to the date of the consolidated financial statements in determining the accounting for and disclosure of transactions and events that effect the consolidated financial statements. Subsequent events have been evaluated through February 24, 2026, which is the date the consolidated financial statements were available to be issued.

**Note 3 - CONCENTRATION OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS**

The Foundation and its Subsidiaries maintain cash balances at several local financial institutions where they are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. As of September 30, 2025, cash deposits in excess of the insured limits were approximately \$2,168,000.

**Note 4 - PLEDGES RECEIVABLE**

During the year ended June 30, 2012, the Foundation entered into Capital Campaign Phase II. The purpose of the campaign is to raise approximately \$5,500,000 from private sources for the construction of an administration building that will house programming, educational outreach, local and national productions, volunteers, public information, membership and special events, and Foundation personnel. As of September 30, 2025, the Foundation has raised pledges and contributions totaling \$6,023,351. As of September 30, 2025, all pledges and contributions have been collected.

During the year ended September 30, 2022, the Foundation entered into the NextGen Capital Campaign. The purpose of the campaign is to raise approximately \$3,860,000 from public and private sources for the construction of a broadcast system capable of providing NextGen transmission accessible beyond traditional television sets - available to mobile devices, cars, laptops, and phones. As of September 30, 2025, the Foundation has raised pledges and contributions from private and public sources totaling approximately \$4,750,000, and all pledges and contributions have been collected.

The Foundation discounted the value of future pledges receivable by using an effective interest rate of 5%.

The details of pledges receivable as of September 30, 2025 and 2024 are as follows:

	2025	2024
Pledges receivable at beginning of year	\$295,000	\$880,000
New pledges made during the year	90,000	35,000
Less cash received	(385,000)	(620,000)
Pledges receivable at end of year	-	295,000
Unamortized discount	-	(11,250)
Totals	\$ -	\$283,750

Pledges receivable as of September 30, 2025 and 2024 are comprised of the following:

	2025	2024
Pledges related to NextGen transmitter campaign	\$ -	\$225,000
Pledges related to capital campaign	-	70,000
Totals	\$ -	\$295,000

**Note 5 - INVESTMENTS**

Investments as of September 30, 2025 and 2024 consist of the following:

Description	2025	
	Cost	Market Value
Exchange traded funds	\$ 3,628,018	\$ 4,461,135
Equity mutual funds	2,862,418	3,144,678
Money market funds	67,539	67,539
Total investments	\$ 6,557,975	\$ 7,673,352

  

Description	2024	
	Cost	Market Value
Exchange traded funds	\$ 3,016,633	\$ 3,563,963
Equity mutual funds	2,215,798	2,421,383
Corporate bonds and U.S. Government Agency obligations	99,933	99,339
Money market funds	67,054	67,054
Total investments	\$ 5,399,418	\$ 6,151,739

Investment return for the year ended September 30, 2025 is summarized as follows:

	Cost	Market Value	Excess of Cost Over Market
Balances as of September 30, 2025	\$ 6,557,975	\$ 7,673,352	\$ 1,115,377
Balances as of September 30, 2024	\$ 5,399,418	\$ 6,151,739	752,321
Increase in unrealized appreciation			\$ 363,056
Interest and dividend income		\$ 253,492	
Unrealized gain, net		363,056	
Realized loss, net		(13,895)	
Investment fees		(55,139)	
Investment income, net		\$ 547,514	

**Note 5 - INVESTMENTS (Continued)**

Investment return for the year ended September 30, 2024 is summarized as follows:

	Cost	Market Value	Excess of Market Over Cost (Cost Over Market)
Balances as of September 30, 2024	\$5,399,418	\$6,151,739	\$ 752,321
Balances as of September 30, 2023	\$5,363,267	\$5,024,899	(338,368)
Increase in unrealized appreciation			\$1,090,689
Interest and dividend income		\$ 191,774	
Unrealized gain, net		1,090,689	
Realized loss, net		(79,059)	
Investment fees		(39,714)	
Investment income, net		\$1,163,690	

**Note 6 - FAIR VALUE MEASUREMENTS**

The framework for measuring fair value provides a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in the active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under the Financial Accounting Standards Board Accounting Standards Codification Topic 820, Fair Value Measurements 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 Foundation 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; and/or
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

## Note 6 - FAIR VALUE MEASUREMENTS

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'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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

- *Mutual funds (equity funds and bond funds)*: Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded. These are included in Level 1 of the fair value hierarchy.
- *Corporate bonds, and U.S. Government Agency obligations*: Valued at the closing price reported on the active market on which the individual securities are traded. These are included in Level 1 of the fair value hierarchy.
- *Exchange traded funds*: Valued at the quoted market price from a national securities exchange. These are included in Level 1 of the fair value hierarchy.
- *Money market funds*: Valued at quoted market prices, which represent the NAV per unit. These are included in Level 1 of the fair value hierarchy.

The methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation 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.

**Note 6 - FAIR VALUE MEASUREMENTS (Continued)**

As of September 30, 2025 and 2024, assets measured at fair value on a recurring basis are comprised of and determined as follows:

Description	Total Assets Measured at Fair Value	2025		
		Based on		
		Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Exchange traded funds	\$4,461,135	\$4,461,135	\$ -	\$ -
Equity mutual funds	3,144,678	3,144,678	-	-
Money market funds	67,539	67,539	-	-
Totals	<u>\$7,673,352</u>	<u>\$7,673,352</u>	<u>\$ -</u>	<u>\$ -</u>
		2024		
		Based on		
		Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Exchange traded funds	\$3,563,963	\$3,563,963	\$ -	\$ -
Equity mutual funds	2,421,383	2,421,383	-	-
Corporate bonds and U.S. Government Agency obligations	99,339	99,339	-	-
Money market funds	67,054	67,054	-	-
Totals	<u>\$6,151,739</u>	<u>\$6,151,739</u>	<u>\$ -</u>	<u>\$ -</u>

As of September 30, 2025 and 2024, there were no assets measured at fair value on a non-recurring basis.

**Note 7 - PROPERTY AND EQUIPMENT**

As of September 30, 2025 and 2024, property and equipment and accumulated depreciation is as follows:

	2025	2024
Leasehold improvements	\$14,833,652	\$14,833,652
Equipment	5,998,482	6,406,823
Office equipment	361,814	420,712
Vehicles	36,404	36,404
Construction in progress	-	88,767
	21,230,352	21,786,358
Less accumulated depreciation	(8,427,351)	(8,223,488)
Net property and equipment	\$12,803,001	\$13,562,870

Depreciation expense was \$709,452 and \$663,995 for the years ended September 30, 2025 and 2024, respectively.

**Note 8 - LEASES**

**Operating Leases**

The Foundation maintains a lease for real estate upon which the transmitter tower is placed. The lease began December 1, 2023 for a period of 10 years and expires on November 30, 2033. The lease agreement calls for monthly payments beginning at \$5,000 monthly increasing 1% annually throughout the lease term.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Foundation has elected the option to use the estimated incremental borrowing rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable.

**Note 8 - LEASES (Continued)**

**Operating Leases (Continued)**

Reported under FASB ASC 842 for the years ended September 30, 2025 and 2024 is as follows:

	2025	2024
Operating lease cost:		
Lease expense	\$ 62,773	\$ 52,311
Operating lease right-of-use asset	\$418,194	\$458,781
Operating lease liability	\$422,779	\$461,092
Net cash flow items:		
Cash paid for amounts included in the measurement of lease liabilities	\$ 60,500	\$ 50,000
Weighted-average information		
Weighted-average remaining lease in years	8.17	9.17
Weighted-average discount rate:		
Operating lease	5.00%	5.00%

Future minimum lease payments for operating leases as of September 30, 2025 are as follows:

	Year Ending September 30,
2026	\$ 61,105
2027	61,716
2028	62,333
2029	62,957
2030	63,586
Thereafter	205,536
Total minimum lease payments	517,233
Less amount representing interest	(94,454)
Present value of operating lease obligations	\$422,779

**Note 9 - BANK LINES OF CREDIT**

The Foundation has a \$750,000 line of credit with Hancock Whitney Bank. Interest is due monthly at U.S. Prime Rate + 1% (8.25% and 9.00% as of September 30, 2025 and 2024, respectively). The line of credit was renewed and will expire on September 6, 2026. There was no balance outstanding as of September 30, 2025 or 2024.

**Note 10 - ENDOWMENT**

*The Endowments.* The Foundation's Endowment Fund consists of one fund established for support of operations and facility maintenance costs and includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

*Interpretation of Relevant Law.* The Board of Trustees has interpreted the State Prudent Management Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies the following amounts as restricted net assets in the accompanying consolidated financial statements:

- the original value of the gifts donated to the endowment held in perpetuity;
- the original value of subsequent gifts to the endowment held in perpetuity;
- when applicable, accumulations to the endowment, made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. There were no additional gifts during the years ended September 30, 2025 and 2024.

In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the fund;
- the purposes of the Foundation and the donor-restricted endowment fund;
- general economic conditions;
- the possible effect of inflation and deflation;
- the expected total return from income and the appreciation of investments;
- other resources of the Foundation; and
- the investment policies of the Foundation.

**Note 10 - ENDOWMENT (Continued)**

Endowment net asset composition by type of fund as of September 30, 2025 and 2024 is as follows:

	September 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 947,884	\$ 947,884
	September 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 947,884	\$ 947,884

Changes in endowment net assets for the years ended September 30, 2025 and 2024 are as follows:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Totals
Net assets, beginning of the year	\$ -	\$ 947,884	\$ 947,884
Investment income	177,483	-	177,483
Transfers from operations	(177,483)	-	(177,483)
Net assets, end of the year	\$ -	\$ 947,884	\$ 947,884
	2024		
	Without Donor Restrictions	With Donor Restrictions	Totals
Net assets, beginning of the year	\$ -	\$ 947,884	\$ 947,884
Investment income	596,676	-	596,676
Transfers to operations	(596,676)	-	(596,676)
Net assets, end of the year	\$ -	\$ 947,884	\$ 947,884

**Note 10 - ENDOWMENT (Continued)**

*Funds with Deficiencies.* From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that either the donor or SPMIFA requires the Foundation to retain as a fund of perpetual duration. These deficiencies can result from unfavorable market fluctuations and when continued appropriations for certain programs that were deemed prudent by the Board of Trustees occur in concurrence with the unfavorable market fluctuations. There were no such deficiencies as of September 30, 2025 and 2024.

*Return Objectives and Risk Parameters.* Endowment assets include donor restricted funds that the Foundation must hold in perpetuity. Under the investment policy, as approved by the Board of Trustees, gifts held in perpetuity to the Foundation are invested in a combination of fixed income and equity investments placed with an investment advisor who has been provided with specific guidelines for the portfolio composition within certain percentage ranges. Such guidelines prohibit investments considered at high risk such as derivatives, commodities, futures, options, purchases on margins, and short sales. The finance committee receives reports from the investment advisor and periodically reviews the investment guidelines.

*Strategies Employed for Achieving Objectives.* To satisfy its long-term rate of return objectives, management believes that asset allocation is the major determinant of investment performance and relies on a long-term asset allocation plan, consistent with the Foundation's investment objectives and performance goals. The Foundation targets a diversified asset allocation that is divided between equities (range between 65% and 85% with a target of 75%) and fixed income (range between 15% and 35% with a target of 25%).

*Spending Policy and How Investment Objectives Relate to the Spending Policy.* The Foundation adopted a policy of appropriating for distribution for operational spending, no more than 5% annually of the total endowment fund, including earnings. Earnings that exceed the allowed annual distribution shall remain in the fund to offset potential market losses so as to preserve the original corpus of the donor-restricted endowment funds.

**Note 11 - NET ASSETS WITH DONOR RESTRICTIONS**

Contributions are restricted by donors for specific purposes or designated for subsequent periods. Cash and investments raised through the capital campaign are restricted for the acquisition of property and equipment. Restrictions on such funds are considered to expire when payment for the designated purpose is made. Endowment funds are held in perpetuity.

**Note 11 - NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

Net assets with donor restrictions as of September 30, 2025 and 2024 are restricted for the following purposes:

	2025	2024
Subject to expenditure for specified purpose:		
Endowment	\$ 947,884	\$ 947,884
Capital campaign - property and equipment acquisition	382,404	401,723
NextGen transmission campaign	340,638	316,324
Total net assets with donor restrictions	\$1,670,926	\$1,665,931

Net assets released from restrictions during the years ended September 30, 2025 and 2024 are as follows:

	2025	2024
Purpose restrictions satisfied:		
Capital campaign and NextGen campaign - property and equipment acquisition	\$ 85,005	\$1,695,529
American Rescue Plan Act Stabilization	-	79,850
Total net assets with donor restrictions	\$ 85,005	\$1,775,379

**Note 12 - CONTRIBUTED NONFINANCIAL ASSETS**

The television station, transmission tower, and land are leased through November 30, 2023, at \$1 per year. These assets are utilized in Engineering Program Services, and do not bear any donor restrictions. The fair market rental value is estimated based on like kind rental rates charged to tenants at the donor's other transmitter and studio sites. The values established by WVUE for the tower, antenna, and land occupied by the Foundation was valued at approximately \$18,788 for the year ended September 30, 2024. Subsequent to the termination of this lease, the lease described in Note 8 was executed.

Transmission equipment is utilized in Engineering Program Services, and do not bear any donor restrictions. The fair market lease value is estimated based on the estimated useful life of the equipment as provided by the donor. The fair value of transmission equipment owned by LPB and leased to the Foundation for no rent was \$67,362 and \$79,903 for the years ended September 30, 2025 and 2024, respectively.

**Note 12 - CONTRIBUTED NONFINANCIAL ASSETS (Continued)**

The television studio and office building are located on land leased through January 31, 2035 at \$1 per year. These assets are utilized in Management and General Supporting Services, and do not bear any donor restrictions. The fair market rental value is estimated based on an independent appraisal performed in April 2016 by the donor. Rental value of \$200,000 for both of the years ended September 30, 2025 and 2024 was recorded.

In addition, the Foundation recorded the value of certain in-kind goods and services received of \$42,617 and \$54,732 for the years ended September 30, 2025 and 2024, respectively. These assets are utilized in various programs and activities, do not bear any donor restrictions, and are valued based on management's estimate of the value of the contributed nonfinancial assets.

The fair values of the described contributed nonfinancial assets have been recorded as support and expenses for the years ended September 30, 2025 and 2024 are as follows:

	2025	2024
<u>Support</u>		
Studio and office building in-kind rent	\$ 200,000	\$ 200,000
Transmission equipment in-kind rent	67,362	79,903
Other goods and services	42,617	54,732
Transmitter in-kind rent:		
Tower and facility	-	18,788
	-	18,788
Total support	\$ 309,979	\$ 353,423
<u>Expenditures</u>		
Studio and office building rental	\$ 200,000	\$ 200,000
Transmission equipment rental	67,362	79,903
Other goods and services	42,617	54,732
Tower rental	-	18,788
	-	18,788
Total expenditures	\$ 309,979	\$ 353,423

Numerous volunteers have donated significant amounts of time to the Foundation's fund-raising campaigns and programs. No amounts have been reflected in the consolidated financial statements because they did not meet the criteria for recognition under FASB ASC No. 958, *Not-for-Profit Entities*.

**Note 13 - SPECIAL EVENT REVENUE**

Gross receipts from special fundraising events recorded by the Foundation consist of exchange transaction revenue and contribution revenue. Those amounts for the years ended September 30, 2025 and 2024 are summarized as follows:

	2025	2024
Sponsorships	\$220,778	\$208,376
Special event ticket sales	221,896	230,702
Special events - gross	442,674	439,078
Less: costs of direct donor benefit	(110,728)	(151,242)
Special events - net	\$331,946	\$287,836

The special events net revenue is included in other support on the Consolidated Statements of Activities.

**Note 14 - COMMITMENTS AND CONTINGENCIES**

The television studio and office building are located on land leased from the City of New Orleans for \$1 per year for a 50 year period ending January 31, 2035.

The Foundation outsources some of their accounting responsibilities to National Educational Telecommunications Association (NETA). The professional fees and reimbursed expenses under this agreement totaled approximately \$100,000 and \$109,000 for the years ended September 30, 2025 and 2024, respectively. The current agreement will terminate on June 30, 2026 with total fees of approximately \$90,000 plus reimbursable expenses due annually.

**Note 15 - UNRELATED BUSINESS INCOME**

Revenues from certain projects are considered unrelated business income of a nonprofit organization by the Internal Revenue Service. Any net operating profits derived from such projects are subject to Federal unrelated business income tax.

The Foundation derives revenue from the rental of the remote production vehicle and rental of the studio facility (see Note 17). The last remaining remote production vehicle was sold during the year ended September 30, 2024. This income is reported as unrelated business income in the Foundation's Exempt Organization Business Income Tax Return ("Form 990T"). For the years ended September 30, 2025 and 2024, there was a taxable loss of approximately \$21,000 and \$284,000, respectively.

The Foundation has a net operating loss of approximately \$1,438,000 as of September 30, 2025 that can be carried forward indefinitely.

**Note 16 - SUBSIDIARY OPERATIONS AND INCOME TAXES**

Yescom, the Foundation's wholly owned subsidiary, derived income by providing remote production services with a remote production vehicle, production services at the Foundation's facility, and other services to third parties. The last remaining remote production vehicle was sold during the year ended September 30, 2023. The income was reported in Yescom's U.S. Corporation Income Tax Returns.

Yescom was dissolved effective July 31, 2024. Yescom's operations resulted in a net loss of approximately \$3,000 for the seven month period ended July 31, 2024. For the seven month period ended July 31, 2024 there were no income taxes paid.

**Note 17 - AVAILABILITY OF FINANCIAL ASSETS**

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation receives grants and contributions with donor restrictions. In addition, the Foundation generates revenue and receives support without donor restrictions. To help manage unanticipated liquidity needs, the Foundation has a line of credit in the amount of \$750,000.

Contributions without donor restrictions, broadcasting revenue, fundraising events, facility rentals, and miscellaneous income are considered to be available to meet cash needs for general expenditures. General expenditures include program services, general and administrative, and fundraising expenses. Annual operations are defined as activities occurring during, and included in the budget for, the upcoming fiscal year.

The following table represents financial assets available for general expenditures within one year as of September 30, 2025:

Financial assets:	
Cash and cash equivalents	\$ 2,836,331
Accounts receivable, net	53,694
Investments	<u>7,673,352</u>
Total financial assets	10,563,377
Less amounts unavailable for general expenditures within one year, due to:	
Donor imposed restrictions:	
Restricted by donors with purpose restriction	<u>(1,670,926)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 8,892,451</u></u>

**Note 18 - BROADCAST HOURS**

Broadcast hours of the television station were 8,760 (unaudited) on each of the four channels for a total of 35,040 hours for both the years ended September 30, 2025 and 2024.

**Note 19 - RETIREMENT PLAN**

The Foundation has a retirement program whereby its employees participate in the TIAA Retirement Annuity Program, a Tax-Sheltered Annuity. Subsequent to Board approval, the Foundation provided a 2.33 to one discretionary matching contribution for elective employee contributions up to 3% of qualified earnings for the years ended September 30, 2025 and 2024. During both of the years ended September 30, 2025 and 2024, 15 employees participated in the program. Retirement expenses under this plan totaled \$33,562 and \$30,189 for the years ended September 30, 2025 and 2024, respectively.

**Note 20 - SUPPLEMENTAL CASH FLOWS INFORMATION**

Cash payments of interest (for notes payable) during the year ended September 30, 2024 were approximately \$11,000. There were no cash payments of interest (for notes payable) during the year ended September 30, 2025.

No cash payments of income taxes were made during the years ended September 30, 2025 and 2024.

**Note 21 - RISKS AND UNCERTAINTIES**

In general, investment securities are exposed to various risks, such as interest rate, currency, and credit and market volatility. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in risk in the near term would materially affect the fair market value of investments held by the Foundation.

**SUPPLEMENTARY INFORMATION**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION****Greater New Orleans Educational  
Television Foundation and Subsidiaries**

New Orleans, Louisiana

September 30, 2025

	Foundation	WYES Media Services	Eliminations	Totals
<b>Assets</b>				
Cash and cash equivalents	\$ 2,041,201	\$ 795,130	\$ -	\$ 2,836,331
Accounts receivable, net	53,694	-	-	53,694
Pledges receivable, net	-	-	-	-
Prepaid expenses	89,828	7,500	-	97,328
Investments	7,673,352	-	-	7,673,352
Operating lease right-of-use asset	418,194	-	-	418,194
Property and equipment, net of accumulated depreciation	12,803,001	-	-	12,803,001
Due from affiliates	-	947,915	(947,915)	-
	<u>\$ 23,079,270</u>	<u>\$ 1,750,545</u>	<u>\$ (947,915)</u>	<u>\$ 23,881,900</u>
Total assets				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 231,167	\$ 12,507	\$ -	\$ 243,674
Deferred revenue	125,963	783,871	-	909,834
Operating lease liability	422,779	-	-	422,779
Due to affiliates	947,915	-	(947,915)	-
	<u>1,727,824</u>	<u>796,378</u>	<u>(947,915)</u>	<u>1,576,287</u>
Total liabilities				
<b>Net Assets</b>				
Net assets:				
Without donor restrictions	19,680,520	954,167	-	20,634,687
With donor restrictions	1,670,926	-	-	1,670,926
	<u>21,351,446</u>	<u>954,167</u>	<u>-</u>	<u>22,305,613</u>
Total net assets (deficit) and common stock				
Total liabilities, net assets (deficit) and common stock	<u>\$ 23,079,270</u>	<u>\$ 1,750,545</u>	<u>\$ (947,915)</u>	<u>\$ 23,881,900</u>

**CONSOLIDATING STATEMENT OF ACTIVITIES****Greater New Orleans Educational  
Television Foundation and Subsidiaries**

New Orleans, Louisiana

For the year ended September 30, 2025

	<u>Foundation</u>	<u>WYES Media Services</u>	<u>Eliminations</u>	<u>Totals</u>
<b>Changes in Unrestricted Net Assets</b>				
Support and revenues:				
Support:				
Contributions	\$ 3,239,304	\$ -	\$ -	\$ 3,239,304
Grants from the Corporation for Public Broadcasting	852,254	-	-	852,254
Louisiana state grant	300,000	-	-	300,000
Other grants and tax credits	12,500	-	-	12,500
Program and production underwriting	259,586	423,921	-	683,507
Other support	361,870	-	-	361,870
Contributions of nonfinancial assets	309,979	-	-	309,979
Revenues:				
Miscellaneous sales, net	46,838	-	(26,885)	19,953
Contract and production services	463,023	-	-	463,023
Tower rental	27,234	-	-	27,234
Investment income, net	547,514	-	-	547,514
Loss on disposal of equipment	(63,615)	-	-	(63,615)
Total unrestricted support and revenues	6,420,102	423,921	(26,885)	6,753,523
Net assets released from restrictions	85,005	-	-	85,005
Total unrestricted support and revenues	6,505,107	423,921	(26,885)	6,838,528
Expenses:				
Program services	3,317,080	258,608	-	3,575,688
Management and general	1,291,183	-	-	1,291,183
Development	803,866	-	(26,885)	776,981
Total expenses	5,412,129	258,608	(26,885)	5,643,852
Increase in unrestricted net assets	1,092,978	165,313	-	1,194,676
<b>Changes in Restricted Net Assets</b>				
Grants	90,000	-	-	90,000
Net asset released from restrictions	(85,005)	-	-	(85,005)
Increase in restricted net assets	4,995	-	-	4,995
<b>Increase in Net Assets</b>	1,097,973	165,313	-	1,199,671
<b>Net Assets</b>				
Beginning of year	20,317,088	788,854	-	21,105,942
End of year	\$21,415,061	\$954,167	\$ -	\$22,305,613

**CONSOLIDATED SCHEDULE OF SUPPORT AND REVENUES**

**Greater New Orleans Educational  
Television Foundation and Subsidiaries**  
New Orleans, Louisiana

For the year ended September 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
<b>Support and Revenues</b>			
Support:			
Contributions:			
Membership and general	\$1,373,941	\$ -	\$1,373,941
Local business support	73,304	-	73,304
Major gifts	1,792,059	-	1,792,059
Support from commercial station - transmitter	-	-	-
Total contributions	<u>3,239,304</u>	<u>-</u>	<u>3,239,304</u>
Grants from the Corporation for Public Broadcasting	<u>852,254</u>	<u>-</u>	<u>852,254</u>
Louisiana state grant	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Other grants:			
Grants - foundations and agencies	<u>12,500</u>	<u>90,000</u>	<u>102,500</u>
Program and production underwriting	<u>683,507</u>	<u>-</u>	<u>683,507</u>
Other support:			
Special events, net of direct benefit to donor costs	322,789	-	322,789
Miscellaneous	<u>39,081</u>	<u>-</u>	<u>39,081</u>
Total other support	<u>361,870</u>	<u>-</u>	<u>361,870</u>

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
<b>Support and Revenues (Continued)</b>			
Contributions of nonfinancial assets			
Rent:			
Transmission equipment	67,362	-	67,362
Transmitter	-	-	-
Studio and office building	200,000	-	200,000
Goods and services	35,217	-	35,217
Utilized in special events	7,400	-	7,400
	<u>309,979</u>	<u>-</u>	<u>309,979</u>
Total contributions of nonfinancial assets			
Total support	<u>5,759,414</u>	<u>90,000</u>	<u>5,849,414</u>
Revenues:			
Miscellaneous sales, net	<u>19,953</u>	<u>-</u>	<u>19,953</u>
Contract and production services:			
Studio rental	<u>463,023</u>	<u>-</u>	<u>463,023</u>
Tower rental	<u>27,234</u>	<u>-</u>	<u>27,234</u>
Investment income:			
Interest income, net of custodian fees	198,353	-	198,353
Net unrealized and realized gains on investments	<u>349,161</u>	<u>-</u>	<u>349,161</u>
Investment income, net	<u>547,514</u>	<u>-</u>	<u>547,514</u>
Loss on disposal of equipment	<u>(63,615)</u>	<u>-</u>	<u>(63,615)</u>
Total revenues	<u>994,109</u>	<u>-</u>	<u>994,109</u>
Total support and revenues	<u><u>\$6,753,523</u></u>	<u><u>\$90,000</u></u>	<u><u>\$6,843,523</u></u>

**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**

**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 Trustees,  
Greater New Orleans Educational Television Foundation,  
New Orleans, Louisiana.

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 consolidated financial statements of Greater New Orleans Educational Television Foundation and Subsidiaries (the “Foundation and Subsidiaries”) as of and for the year ended September 30, 2025, and the related notes to the consolidated financial statements and have issued our report thereon dated February 24, 2026.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Foundation and Subsidiaries’ internal control over financial reporting (“internal control”) to determine audit procedures that are appropriate in the circumstances for the propose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation and Subsidiaries’ internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation and Subsidiaries’ 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 Foundation and Subsidiaries’ consolidated financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be a material weakness or significant deficiency. 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 have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Greater New Orleans Educational Television Foundation and Subsidiaries' consolidated financial statements are free of 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 consolidated financial statements. 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 Foundation and Subsidiaries' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation and Subsidiaries' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants.

New Orleans, Louisiana,  
February 24, 2026.

**SCHEDULE OF FINDINGS AND RESPONSES**

**Greater New Orleans Educational  
Television Foundation and Subsidiaries  
New Orleans, Louisiana**

For the year ended September 30, 2025

**Section I - Summary of Auditor's Report**

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_ Yes X No
- Significant deficiency(ies) identified that are not considered to be a material weakness? \_\_\_ Yes X None reported

Noncompliance material to consolidated financial statements noted? \_\_\_ Yes X No

b) Federal Awards

The Foundation did not expend more than \$750,000 in Federal awards during the year ended September 30, 2025 and, therefore, is exempt from the audit requirements under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

**Section II - Internal Control Over Financial Reporting and Compliance and Other Matters  
Material to the Consolidated Financial Statements**

**Internal Control Over Financial Reporting**

No internal control over financial reporting findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2025.

**Section II - Internal Control Over Financial Reporting and Compliance and Other Matters  
Material to the Consolidated Financial Statements (Continued)**

**Compliance and Other Matters**

No compliance findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2025.

**Section III - Internal Control and Compliance Material to Federal Awards**

Not applicable.

**REPORTS BY MANAGEMENT**

# **SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES**

## **Greater New Orleans Educational Television Foundation and Subsidiaries New Orleans, Louisiana**

For the year ended September 30, 2025

### **Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Consolidated Financial Statements**

#### **Internal Control Over Financial Reporting**

No internal control over financial reporting findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2024.

#### **Compliance and Other Matters**

No compliance findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2024.

### **Section II - Internal Control and Compliance Material to Federal Awards**

The Foundation did not expend more than \$750,000 in Federal awards during the year ended September 30, 2024 and, therefore, is exempt from the audit requirements under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

### **Section III - Management Letter**

A management letter was not issued in connection with the audit for the year ended September 30, 2024.

# **MANAGEMENT'S CORRECTIVE ACTION PLAN**

## **Greater New Orleans Educational Television Foundation and Subsidiaries New Orleans, Louisiana**

For the year ended September 30, 2025

### **Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Consolidated Financial Statements**

#### **Internal Control Over Financial Reporting**

No internal control over financial reporting findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2025.

#### **Compliance and Other Matters**

No compliance findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2025.

### **Section II - Internal Control and Compliance Material to Federal Awards**

The Foundation did not expend more than \$750,000 in Federal awards during the year ended September 30, 2025 and, therefore, is exempt from the audit requirements under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

### **Section III - Management Letter**

A management letter was not issued in connection with the audit for the year ended September 30, 2025.