

# **Public Radio, Inc.**

Baton Rouge, Louisiana

Years Ended December 31, 2017 and 2016

*Financial Statements  
and Supplementary Information*

**William D. Mercer, CPA**

A PROFESSIONAL ACCOUNTING CORPORATION

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WILLIAM D. MERCER, CPA

A PROFESSIONAL ACCOUNTING  
CORPORATION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Public Radio, Inc.  
Baton Rouge, Louisiana

**Report on the Financial Statements**

I have audited the accompanying financial statements of Public Radio, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017 and 2016, 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.

***Auditor's Responsibility***

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits 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. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 the auditor's 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 entity'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 entity's internal control. Accordingly, I express no 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

***Opinion***

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Public Radio, Inc. as of December 31, 2017 and 2016, 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.

***Other Matters***

My audits were conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise Public Radio, Inc.'s basic financial statements. The schedules of functional expenses on pages 21-24 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of functional expenses on pages 21-24 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedules of functional expenses on pages 21-24 are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*WILLIAM D. MERCER, CPA (APAC)*

Baton Rouge, Louisiana  
July 12, 2018

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

STATEMENT OF FINANCIAL POSITION

December 31,

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
CURRENT:		
Cash and cash equivalents	\$ 392,046	\$ 224,023
Grants receivable	32,706	31,771
Underwriting receivable	2,810	8,108
Unconditional promises to give	85,413	98,049
Marketable securities, at market	<u>2,236</u>	<u>1,802</u>
Total Current Assets	<u>515,211</u>	<u>363,753</u>
PROPERTY AND EQUIPMENT:		
Broadcast equipment	692,535	692,535
Buildings	142,698	142,698
Furniture and fixtures	16,786	16,786
Land	<u>129,470</u>	<u>129,470</u>
	981,489	981,489
Less accumulated depreciation	<u>769,658</u>	<u>743,554</u>
Net Property and Equipment	<u>211,831</u>	<u>237,935</u>
TOTAL ASSETS	\$ <u>727,042</u>	\$ <u>601,688</u>

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

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	<u>2017</u>	<u>2016</u>
<u>LIABILITIES</u>		
CURRENT:		
Accounts payable and accrued expenses	\$ 186,103	\$ 213,858
Payroll withholdings	-	270
Deferred revenues	<u>275</u>	<u>2,250</u>
 TOTAL LIABILITIES (all current)	 <u>186,378</u>	 <u>216,378</u>
 <u>NET ASSETS</u>		
Permanently restricted	-	-
Temporarily restricted	14,209	46,397
Unrestricted	<u>526,455</u>	<u>338,913</u>
 TOTAL NET ASSETS	 <u>540,664</u>	 <u>385,310</u>
  TOTAL LIABILITIES AND NET ASSETS	  \$ <u>727,042</u>	  \$ <u>601,688</u>

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

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET ASSETS

Year Ended December 31, 2017

	Temporarily Restricted	Unrestricted	Totals
REVENUES:			
Membership income	\$ -	\$ 406,876	\$ 406,876
Underwriting	-	462,494	462,494
Grants	31,320	77,700	109,020
Donations	-	127,520	127,520
Event income, net of expenses	-	39,411	39,411
Investment income	-	800	800
Miscellaneous income	-	500	500
Net assets released from restrictions	( 63,508)	63,508	-
Total Revenues	( 32,188)	1,178,809	1,146,621
EXPENSES:			
Program services	-	506,044	506,044
Supporting services:			
Membership development	-	93,631	93,631
Underwriting solicitation	-	275,980	275,980
Management and general	-	115,611	115,611
Total supporting services	-	485,222	485,222
Total Expenses	-	991,266	991,266
Change in net assets	( 32,188)	187,543	155,355
NET ASSETS, beginning of year as restated (see Note G)	46,397	338,912	385,309
NET ASSETS, end of year	\$ 14,209	\$ 526,455	\$ 540,664

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

Year Ended December 31, 2016

	Temporarily Restricted	Unrestricted	Totals
<b>REVENUES:</b>			
Membership income	\$ -	\$ 441,727	\$ 441,727
Underwriting	-	482,241	482,241
Grants	27,610	78,295	105,905
Donations	-	25,522	25,522
Event income, net of expenses	-	28,324	28,324
Investment income	( 33)	4,778	4,745
Miscellaneous income	-	29,836	29,836
Net assets released from restrictions	( <u>33,915</u> )	<u>33,915</u>	<u>-</u>
 Total Revenues	 ( <u>6,338</u> )	 <u>1,124,638</u>	 <u>1,118,300</u>
<b>EXPENSES:</b>			
Program services	<u>-</u>	<u>561,768</u>	<u>561,768</u>
Supporting services:			
Membership development	-	124,272	124,272
Underwriting solicitation	-	289,906	289,906
Management and general	<u>-</u>	<u>168,429</u>	<u>168,429</u>
Total supporting services	<u>-</u>	<u>582,607</u>	<u>582,607</u>
 Total Expenses	 <u>-</u>	 <u>1,144,375</u>	 <u>1,144,375</u>
 Change in net assets	 ( 6,338)	 ( 19,737)	 ( 26,075)
 NET ASSETS, beginning of year, as restated (see Note G)	 <u>52,735</u>	 <u>358,649</u>	 <u>411,384</u>
 NET ASSETS, end of year	 \$ <u><u>46,397</u></u>	 \$ <u><u>338,912</u></u>	 \$ <u><u>385,309</u></u>

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



PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

STATEMENT OF CASH FLOWS

Years Ended December 31,

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	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 942,639	\$ 971,659
Cash received from donors and grantors	236,540	124,353
Interest and dividends received	366	1,475
Other operating receipts	500	29,836
Cash paid to suppliers and employees	( 1,012,022)	( 1,095,763)
Net cash provided by operating activities	<u>168,023</u>	<u>31,560</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash proceeds from sales of marketable securities	<u>-</u>	<u>70,222</u>
NET INCREASE IN CASH	168,023	101,782
CASH AND CASH EQUIVALENTS, beginning of year	<u>224,023</u>	<u>122,241</u>
CASH AND CASH EQUIVALENTS, end of year	\$ <u><u>392,046</u></u>	\$ <u><u>224,023</u></u>

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

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

STATEMENT OF CASH FLOWS (continued)

Years Ended December 31,

	<u>2017</u>	<u>2016</u>
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	\$ 155,355	\$( 26,075)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	26,103	29,025
Realized (gains) losses on marketable securities	-	( 8,723)
Unrealized (gains) losses on marketable securities	( 434)	5,453
(Increase) decrease in:		
Grants receivable	( 935)	2,589
Underwriting receivable	5,298	( 2,525)
Unconditional promises to give	12,636	( 9,663)
Increase (decrease) in:		
Accounts payable and accrued expenses	( 27,755)	38,959
Deferred revenues	( 1,975)	2,250
Other current liabilities	<u>( 270)</u>	<u>270</u>
Net cash provided (used) by operating activities	\$ <u>168,023</u>	\$ <u>31,560</u>
Cash payments for:		
Interest	\$ <u>-</u>	\$ <u>-</u>
Income taxes	\$ <u>-</u>	\$ <u>-</u>

Noncash investing and financing activities:

None

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

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Public Radio, Inc. (the Organization) is a nonprofit Louisiana corporation, which operates a noncommercial public radio station under the call letters WRKF.

Method of accounting

The accompanying financial statements have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation

Net assets of the Organization and changes therein are classified and reported as follows:

*Unrestricted net assets* – Net assets that are not subject to donor-imposed stipulations.

*Temporarily restricted net assets* – Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time.

*Permanently restricted net assets* – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed stipulations. Expenses are recorded as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated passage of time has elapsed) are reported as net assets released from restrictions.

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Organization regularly assesses these estimates and, while actual results could differ, management believes that the estimates are reasonable.

Significant estimates included in or affecting the presentation of the accompanying financial statements include estimated useful lives of property and equipment.

Cash and cash equivalents

For the purpose of the statement of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Marketable securities

Investments in marketable securities are stated at fair value based on quoted market prices within active markets. All gains and investment income are unrestricted.

Property and equipment

All property and equipment is stated at cost. Expenditures for maintenance, repairs, and minor renewals are expensed as incurred. Major expenditures for renewals and betterments are capitalized.

As a general rule, when items are retired or otherwise disposed, accumulated depreciation is reduced by the accumulated amount of depreciation applicable thereto. Any gain or loss from such retirement or disposal is credited or charged to income in the year of the disposal.

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unconditional promises to give

The Organization engages in annual fundraising campaigns manifesting by offering some special radio programs and on-air and mail fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Organization for enhancement of program offerings and other operating expenses. Financial contributions are frequently evidenced by unconditional promises to give received from responding listeners. Contributions and unconditional promises to give are components of the unrestricted operating fund inasmuch as their usage is not limited to specific activities of the Organization. This usage is consistent with appeals for contributions and unconditional promises to give. Uncollected promises to give that are not enforceable against contributors are not shown as assets on the statement of financial position.

Depreciation and amortization

Depreciation is computed on the straight-line method over the estimated useful lives of the various classes of depreciable assets, ranging from five to seven years.

The useful lives are estimated based on historical experience with similar assets, taking into account anticipated technological or other changes. The Organization periodically reviews these lives relative to physical factors, economic factors, and industry trends. If there are changes in the planned use of property and equipment or if technological changes occur more rapidly than anticipated, the useful lives assigned to those assets may be shortened, resulting in the recognition of increased depreciation and amortization expense in future periods.

Revenue recognition

The Organization reports contributions as restricted support if they are received with donor or grantor restrictions that limit the use of the contributions. When a restriction expires (i.e., when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions are considered to be available for unrestricted use and recorded as such, unless specifically restricted by the donor.

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising

The Organization expenses the production costs of advertising the first time the advertising takes place, except for direct response advertising, which is capitalized and amortized over its expected period of future benefits. As of December 31, 2017 and 2016, the Organization had no advertising classified as assets, and all advertising was expensed as incurred.

Income taxes

The Organization is a not-for-profit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from state income tax under Section 121(5) of Title 47 of the Louisiana Revised Statutes. Accordingly, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

The Organization's tax returns are subject to possible examination by the taxing authorities. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

Functional allocation of expenses

The costs of providing programs have been summarized on functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Reclassification of financial statements

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation. Such reclassifications have had no impact on reported net income.

Subsequent events

In preparing the accompanying financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through July 12, 2018, the date the financial statements were available to be issued.

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2017 and 2016, were as follows:

	<u>2017</u>	<u>2016</u>
Cash on hand	\$ -	\$ -
Cash in bank – checking / savings	313,771	146,115
Cash portion of marketable securities	72,996	72,629
Cash held by Baton Rouge Area Foundation	<u>5,279</u>	<u>5,279</u>
	\$ <u><u>392,046</u></u>	\$ <u><u>224,023</u></u>

As of December 31, 2017 and 2016, the Organization had monies held by Baton Rouge Area Foundation, a non-profit organization located in Baton Rouge, Louisiana, who allows nonprofit organizations to set up funds for their own benefit. Baton Rouge Area Foundation serves as a fiscal agent on behalf of the nonprofit organization for these funds.

NOTE C – MARKETABLE SECURITIES

The Organization invests in equity mutual funds, equity securities, and corporate debt securities. Fair values for investments are determined by reference to quoted market values for similar investments, yield curves, and other relevant information. There were no changes in valuation techniques for the years ended December 31, 2017 and 2016. The Organization recognizes transfers into and out of levels within the fair value hierarchy at the end of the reporting period. There were no transfers between levels in the years ended December 31, 2017 and 2016.

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE C – MARKETABLE SECURITIES (continued)

Fair value measurements for investments reported at fair value on a recurring basis as of December 31, 2017, were based on:

	Quoted Prices in Active Markets for Identical Assets (Level 1)
Stocks	\$ 2,236
Stock funds	-
Bond funds	-
Short-term funds	-
	<u>\$ 2,236</u>

Fair value measurements for investments reported at fair value on a recurring basis as of December 31, 2016, were based on:

	Quoted Prices in Active Markets for Identical Assets (Level 1)
Stocks	\$ 1,802
Stock funds	-
Bond funds	-
Short-term funds	-
	<u>\$ 1,802</u>



PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE C – MARKETABLE SECURITIES (continued)

A summary of investment return in the statement of activities for the year ended December 31, 2017 and 2016, is as follows:

	<u>2017</u>	<u>2016</u>
Interest and dividend income	\$ 366	\$ 1,475
Net realized and unrealized gains and losses	<u>434</u>	<u>3,270</u>
	\$ <u>800</u>	\$ <u>4,745</u>

At December 31, 2017, the cost of investments was \$ 1,482 and the gross unrealized gain was \$ 754. At December 31, 2016, the cost of investments was \$ 1,482 and the gross unrealized gain was \$ 320.

NOTE D – LEASE COMMITMENTS

In 2014, the Organization entered into a three-year agreement with another nonprofit organization located in Baton Rouge, Louisiana, for the lease of offsite antenna space for its radio tower. This lease expired in December 2016. Rent expense under this lease for the years ended December 31, 2017 and 2016, totaled \$ 7,115 and \$ 6,000, respectively. As of the issuance of these financial statements, the lease had not been renewed, but management anticipates that a renewal will be executed.

Additionally, for the years ended December 31, 2017 and 2016, the Organization rented certain equipment under short-term leases. Rent expense under these leases totaled \$ 2,032 and \$ 3,430, respectively.

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE E – TAX DEFERRED ANNUITY PLAN

In December 2008, the Organization established a deferred compensation plan qualified under Section 401(k) of the Internal Revenue Code. The plan covers full-time employees of the Organization. The Organization does not make contributions to the plan. Employees may elect to make deferrals into the plan up to the maximum amount allowed by the Internal Revenue Code.

NOTE F – SIGNIFICANT CONCENTRATIONS OF RISK

The Organization's investment policy objectives are to provide sufficient liquidity to meet its cash needs, to maximize the return on available capital, and to assure the safety of the funds by investing only in high quality instruments with a diversification of issues.

The Organization's largest receivables are for grants due from corporations, foundations, and quasi-governmental agencies. At December 31, 2017 and 2016, a total of \$ 32,706 and \$ 31,771, respectively, was due from the Corporation for Public Broadcasting.

Unconditional promises to give and underwriting receivables are due from entities and individuals located in the geographic area served by the Organization's broadcast signal. At December 31, 2017 and 2016, unconditional promises to give and underwriting receivable totaled \$ 88,223 and \$ 106,157, respectively.

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

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NOTE G – PRIOR PERIOD ADJUSTMENTS

Certain errors, resulting in the understatement of expenses and liabilities from previous years, were discovered by management subsequent to the issuance of the prior financial statements. Net assets as of December 31, 2015, was restated as follows:

Net assets, December 31, 2015, as originally stated	\$ 542,746
Understatement of liabilities	( <u>131,362</u> )

Net assets, December 31, 2015, as restated	\$ <u>411,384</u>
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Additionally, change in net assets for the year ended December 31, 2016, has been restated as follows:

Change in net assets, year ended December 31, 2016, as originally stated	\$ 19,211
Understatement of expenses	( <u>45,286</u> )

Change in net assets, year ended December 31, 2016, as restated	\$ ( <u>26,075</u> )
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## SUPPLEMENTARY INFORMATION

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

SCHEDULE OF FUNCTIONAL EXPENSES

Year Ended December 31, 2017

	Program services			
	Programming and <u>Production</u>	<u>Broadcasting</u>	Program <u>Information</u>	<u>Totals</u>
Advertising	\$ -	\$ -	\$ -	\$ -
Bank charges	-	-	-	-
Commissions	-	-	-	-
Computer expense	-	304	-	304
Contract labor	-	-	-	-
Contract services	-	5,940	-	5,940
Depreciation	-	25,303	-	25,303
Dues and subscriptions	-	-	-	-
Engineering services	-	38,258	-	38,258
Equipment	-	-	-	-
Insurance	-	15,523	-	15,523
Membership expense	-	-	-	-
Miscellaneous	-	-	-	-
Payroll expense	-	7,136	-	7,136
Postage	-	-	1,991	1,991
Printing	-	-	-	-
Professional services	-	424	-	424
Programming	295,998	-	-	295,998
Rent	-	-	-	-
Repairs and maintenance	-	1,158	-	1,158
Salaries	-	103,095	-	103,095
Supplies	-	-	-	-
Telephone	-	3,206	32	3,238
Travel and entertainment	-	-	-	-
Utilities	-	7,599	77	7,676
Totals	\$ <u>295,998</u>	\$ <u>207,946</u>	\$ <u>2,100</u>	\$ <u>506,044</u>

See auditor's report on supplementary information.

	Supporting services			
	Membership <u>Development</u>	<u>Underwriting</u>	Management and <u>General</u>	<u>Totals</u>
Advertising	\$ 1,788	\$ -	\$ -	\$ 1,788
Bank charges	-	-	19,809	19,809
Commission	-	111,207	-	111,207
Computer expense	-	-	-	-
Contract labor	-	-	-	-
Contract services	5,940	5,940	15,480	27,360
Depreciation	-	-	800	800
Dues and subscriptions	-	-	3,266	3,266
Engineering services	-	-	-	-
Equipment	-	-	2,032	2,032
Insurance	5,766	13,391	5,824	24,981
Membership expense	3,969	2,336	-	6,305
Miscellaneous	-	-	3,710	3,710
Payroll expense	3,575	8,304	1,991	13,870
Postage	1,991	-	995	2,986
Printing	8,692	-	-	8,692
Professional services	5,392	494	14,910	20,796
Programming	-	-	-	-
Rent	-	-	7,115	7,115
Repairs and maintenance	-	-	-	-
Salaries	51,653	119,968	28,771	200,392
Supplies	-	-	2,253	2,253
Telephone	1,443	4,255	1,782	7,480
Travel and entertainment	-	-	2,648	2,648
Utilities	<u>3,422</u>	<u>10,085</u>	<u>4,225</u>	<u>17,732</u>
Totals	\$ <u>93,631</u>	\$ <u>275,980</u>	\$ <u>115,611</u>	\$ <u>485,222</u>

See auditor's report on supplementary information.

PUBLIC RADIO, INC.  
Baton Rouge, Louisiana

SCHEDULE OF FUNCTIONAL EXPENSES

Year Ended December 31, 2016

	Program services			
	Programming and <u>Production</u>	<u>Broadcasting</u>	Program <u>Information</u>	<u>Totals</u>
Advertising	\$ -	\$ -	\$ -	\$ -
Bank charges	-	-	-	-
Commissions	-	-	-	-
Computer expense	-	7,028	-	7,028
Contract labor	-	10,587	-	10,587
Contract services	-	2,051	-	2,051
Depreciation	-	27,496	-	27,496
Dues and subscriptions	-	-	-	-
Engineering services	-	24,166	-	24,166
Equipment	-	-	343	343
Insurance	-	13,240	-	13,240
Membership expense	-	-	-	-
Miscellaneous	-	-	-	-
Payroll expense	-	9,035	-	9,035
Postage	-	-	3,561	3,561
Printing	-	-	-	-
Professional services	-	548	-	548
Programming	346,591	-	-	346,591
Rent	-	-	-	-
Repairs and maintenance	-	13,595	-	13,595
Salaries	-	94,114	-	94,114
Supplies	-	349	-	349
Telephone	-	1,876	36	1,912
Travel and entertainment	-	-	-	-
Utilities	-	7,017	135	7,152
Totals	\$ <u>346,591</u>	\$ <u>211,102</u>	\$ <u>4,075</u>	\$ <u>561,768</u>

See auditor's report on supplementary information.

	Supporting services			
	Membership Development	Underwriting	Management and General	Totals
Advertising	\$ 1,148	\$ -	\$ -	\$ 1,148
Bank charges	-	-	18,597	18,597
Commission	-	104,768	-	104,768
Computer expense	-	-	1,580	1,580
Contract labor	-	-	-	-
Contract services	18,755	2,051	4,101	24,907
Depreciation	-	-	1,529	1,529
Dues and subscriptions	-	-	5,474	5,474
Engineering services	-	-	-	-
Equipment	343	-	2,744	3,087
Insurance	6,935	17,759	8,023	32,717
Membership expense	23,061	-	-	23,061
Miscellaneous	-	-	567	567
Payroll expense	5,210	13,341	6,027	24,578
Postage	3,561	-	1,780	5,341
Printing	4,486	-	-	4,486
Professional services	316	808	36,045	37,169
Programming	-	-	-	-
Rent	-	-	6,000	6,000
Repairs and maintenance	124	-	124	248
Salaries	54,270	138,966	62,778	256,014
Supplies	-	-	2,443	2,443
Telephone	1,279	2,576	1,496	5,351
Travel and entertainment	-	-	3,522	3,522
Utilities	<u>4,784</u>	<u>9,637</u>	<u>5,599</u>	<u>20,020</u>
Totals	\$ <u>124,272</u>	\$ <u>289,906</u>	\$ <u>168,429</u>	\$ <u>582,607</u>

See auditor's report on supplementary information.