

**LAC COURT OREILLES OJIBWA PUBLIC BROADCASTING
(WOJB-FM WOODLAND COMMUNITY RADIO)**

**FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

**WITH
INDEPENDENT AUDITOR'S REPORT**

**LAC COURT OREILLES OJIBWA PUBLIC BROADCASTING
(WOJB-FM WOODLAND COMMUNITY RADIO)**

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lac Court Oreilles Ojibwa Public Broadcasting
WOJB-FM Woodland Community Radio
Hayward, WI

Opinions

We have audited the accompanying financial statements of Lac Court Oreilles Ojibwa Public Broadcasting, WOJB-FM Woodland Community Radio (WOJB), which comprise the statements of financial position as of September 30, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WOJB as of September 30, 2022 and 2021, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WOJB, 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 opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the WOJB's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Donham & Associates

Donham & Associates, Certified Public Accountants, LLC
Albuquerque, NM
May 9, 2023



**LAC COURT OREILLES OJIBWA PUBLIC BROADCASTING
(WOJB-FM WOODLAND COMMUNITY RADIO)
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2022**

	2022	2021
<u>Assets</u>		
Current Assets		
Cash and Cash Equivalents	\$ 323,447	\$ 393,171
Accounts Receivable	41,590	33,568
Prepaid Items	-	1,756
Inventories	570	570
Total Current Assets	365,607	429,065
Property and Equipment, net	104,177	72,735
Total Assets	\$ 469,784	\$ 501,800
<u>Liabilities</u>		
Current Liabilities		
Accounts Payable	\$ 12,227	\$ 32,377
Accrued Wages and Benefits	27,123	27,123
Due to Other Funds	57,450	57,450
Total Liabilities	96,800	116,950
<u>Net Assets</u>		
Unrestricted	372,984	384,850
Temporarily Restricted	-	-
Permanently Restricted	-	-
Total Net Assets	372,984	384,850
Total Liabilities and Net Assets	\$ 469,784	\$ 501,800

See accompanying notes to financial statements.

**LAC COURT OREILLES OJIBWA PUBLIC BROADCASTING
(WOJB-FM WOODLAND COMMUNITY RADIO)
STATEMENTS OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2022**

	<u>2022</u>	<u>2021</u>
Revenues and Other Support		
CPB Grants	\$ 177,021	\$ 387,683
Underwriting Contributions	91,487	49,756
Donations and Contributions	63,145	112,858
Other Income	41,428	50,994
Total Revenues and Other Support	<u>373,081</u>	<u>601,291</u>
Operating Expenses		
Salaries and Fringe Benefits	147,146	102,266
Professional Fees	70,493	90,274
Equipment Rental and Maintenance	37,733	46,895
Licenses, Fees and Permits	52,118	56,948
Supplies and Equipment	4,990	11,096
Telecommunications	5,927	5,931
Travel and Training	1,441	1,264
Rent and Utilities	39,300	32,387
Auto Expense	2,340	745
Advertising	2,679	1,539
Other Expenses	2,406	3,118
Depreciation	15,797	1,054
Insurance	2,397	2,350
IT Software & Hardware	180	4,993
Total Expenses	<u>384,947</u>	<u>360,860</u>
Increase (Decrease) in Unrestricted Net Assets	(11,866)	240,431
Gain (Loss) on Disposal of Fixed Assets	-	-
Increase (Decrease) in Net Assets	(11,866)	240,431
Net Assets, Beginning of Year	<u>384,850</u>	<u>144,419</u>
Net Assets, End of Year	<u>\$ 372,984</u>	<u>\$ 384,850</u>

See accompanying notes to financial statements.

**LAC COURT OREILLES OJIBWA PUBLIC BROADCASTING
(WOJB-FM WOODLAND COMMUNITY RADIO)
STATEMENTS OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2022**

	<u>2022</u>	<u>2021</u>
<u>Cash Flows from Operating Activities:</u>		
Change in Net Assets	\$ (11,866)	\$ 240,431
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By (Used) by Operating Activities:		
Depreciation	15,797	1,054
Changes in Assets and Liabilities:		
(Increase) Decrease in Receivables	(8,022)	(23,300)
(Increase) Decrease in Prepaid Items	1,756	242
Increase (Decrease) in Accounts Payable	(20,150)	23,973
Net Cash Provided (Used) by Operating Activities	<u>(22,485)</u>	<u>242,400</u>
 <u>Cash Flows from Investing Activities:</u>		
Purchases of Equipment	<u>(47,239)</u>	<u>(63,239)</u>
Net Cash Provided (Used) by Investing Activities	<u>(47,239)</u>	<u>(63,239)</u>
 Net Increase (Decrease) In Cash	(69,724)	179,161
 Cash, Beginning of Year	<u>393,171</u>	<u>214,010</u>
 Cash, End of Year	<u>\$ 323,447</u>	<u>\$ 393,171</u>

See accompanying notes to financial statements.

**LAC COURT OREILLES OJIBWA PUBLIC BROADCASTING
(WOJB-FM WOODLAND COMMUNITY RADIO)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

Note 1 – Summary of Significant Accounting Policies

Organization

Lac Court Oreilles Ojibwa Public Broadcasting, WOJB-FM Woodland Community Radio (WOJB), a Wisconsin non-profit corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code established to provide media services to the northwestern Wisconsin area. It is the primary purpose of Lac Court Oreilles Ojibwa Public Broadcasting to participate in, report on, and reflect upon all aspects of life in northwestern Wisconsin. WOJB is located in Hayward, Wisconsin and operates on 88.9 FM.

Basis of Accounting

The accompanying financial statements have been prepared using the accrual method of accounting. Under the accrual method of accounting, revenues are recognized when earned rather than received, and expenses are recognized when the related liability is incurred rather than when paid.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Section 958-205, Not-for-Profit Entities — Presentation of Financial Statements. Under this section, WOJB is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- *Unrestricted net assets* represent that portion of net assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations.
- *Temporarily restricted net assets* represent assets whose use is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled by actions of WOJB. When the stipulated time restriction ends or the action is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions. WOJB had no temporarily restricted net assets at September 30, 2022.
- *Permanently restricted net assets* represent the part of net assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of WOJB. WOJB had no permanently restricted net assets at September 30, 2022.

Contributions Received

Contributions received are recognized as revenues or gains in the period pledged or received and as assets or decreases of liabilities, depending on the form of the benefits received. Contributions that are restricted by the donor are reported as increases in unrestricted net assets, if the restrictions expire in the reporting period in which revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently

**LAC COURT OREILLES OJIBWA PUBLIC BROADCASTING
(WOJB-FM WOODLAND COMMUNITY RADIO)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

Note 1 – Summary of Significant Accounting Policies – continued

restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions of significant long-lived assets and significant gifts to acquire long-lived assets are reported as temporarily restricted assets and an implied time restriction is imposed on those assets that expire over the useful life of the asset, provided that the donated assets were received without stipulation as to how long they must be used. Other contributions of long-lived assets and gifts to acquire long-lived assets are reported as unrestricted assets in the period received.

Contributions Receivable

Unconditional promises to give (contributions receivable) are recognized as revenues or gains in the period the pledge is received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when collected or when the conditions on which they depend are substantially met.

Use of Estimates

Financial statement preparation 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 assets and liabilities at the financial statement date and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, WOJB considers all highly liquid investments with an original maturity of three months or less as cash equivalents. All of WOJB's cash and cash equivalents is cash in bank at September 30, 2022.

Property and Equipment

Property and equipment acquisitions in excess of \$1,000 and all expenditures for renewals and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation and amortization are computed using the straight-line method over the asset's estimated useful lives ranging from 3 to 30 years.

Corporation for Public Broadcasting Community Service Grants

The Corporation for Public Broadcasting (CPB) is a private, nonprofit grant-making organization responsible for funding more than 1,000 television and radio stations. CPB distributes annual Community Service Grants (CSG) to qualifying public broadcasting entities. CSG's are used to augment the financial resources of public broadcasting entities which enables the entities to enhance the quality of programming and expand the scope of public broadcasting services. Each CSG may be expended over one or two federal fiscal years as described in the Communications Act, 47 United States Code Annotated, Section 396(k)(7). In any event, each

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(WOJB-FM WOODLAND COMMUNITY RADIO)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

Note 1 – Summary of Significant Accounting Policies – continued

grant must be expended within two years of the initial grant authorization. According to the Communications Act, unrestricted funds may be used at the discretion of recipients for purposes relating primarily to local production and acquisition of programming. In addition, the grants may be used to sustain activities begun with CSG’s awarded in prior years. Certain general provisions must be satisfied in connection with application for and use of the grants to maintain eligibility and meet compliance requirements. These general provisions pertain to the use of grant funds, record keeping, audits, financial reporting, mailing lists, and licensee status with the Federal Communications Commission.

Subsequent Events

Subsequent events were evaluated through May 9, 2023, the date which the financial statements were available to be issued, and no subsequent events material to the financial statements were noted.

Note 2 – Property and Equipment

Property and equipment consist of the following at September 30, 2022:

Building and Improvements	\$ 87,754
Vehicles	63,239
Equipment	473,171
Total Depreciable Property and Equipment	<u>624,164</u>
Less Accumulated Depreciation and Amortization	<u>(530,537)</u>
Net Value	93,627
Land	<u>10,550</u>
Total Property and Equipment	<u><u>\$104,177</u></u>

SUPPLEMENTAL INFORMATION

**LAC COURT OREILLES OJIBWA PUBLIC BROADCASTING
(WOJB-FM WOODLAND COMMUNITY RADIO)
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2022**

	2022 Program Services			2022 Supporting Services			
	Programming & Production	Broadcasting & Engineering	Program Information & Promotion	Total Program Services	Management & General	Fundraising	Total
Salaries and Fringe Benefits	\$ 35,676	\$ 41,806	\$ 3,170	\$ 80,652	\$ 66,494	\$ -	\$ 147,146
Professional Fees	32,506	31,128	-	63,635	6,858	-	70,493
Equipment Rental & Maintenance	17,367	19,111	-	36,478	1,255	-	37,733
Licenses, Fees & Permits	-	51,817	-	51,817	301	-	52,118
Supplies and Equipment	1,223	2,454	229	3,906	1,084	-	4,990
Telecommunications	1,186	1,186	1,778	4,149	1,778	-	5,927
Travel and Training	180	-	523	703	738	-	1,441
Rent and Utilities	8,646	23,580	-	32,226	7,074	-	39,300
Auto Expense	-	-	-	-	2,340	-	2,340
Advertising	-	-	-	-	2,679	-	2,679
Other Expenses	-	-	2,273	2,273	133	-	2,406
Depreciation	4,107	8,846	-	12,954	2,843	-	15,797
Insurance	-	-	-	-	2,397	-	2,397
IT Software & Hardware	-	-	-	-	180	-	180
Total	\$ 100,891	\$ 179,928	\$ 7,973	\$ 288,792	\$ 96,155	\$ -	\$ 384,947
	2021 Program Services			2021 Supporting Services			
	Programming & Production	Broadcasting & Engineering	Program Information & Promotion	Total Program Services	Management & General	Fundraising	Total
Salaries and Fringe Benefits	\$ 24,795	\$ 29,055	\$ 2,203	\$ 56,053	\$ 46,213	\$ -	\$ 102,266
Professional Fees	41,628	39,863	-	81,491	8,783	-	90,274
Equipment Rental & Maintenance	21,584	23,752	-	45,336	1,559	-	46,895
Licenses, Fees & Permits	-	56,619	-	56,619	329	-	56,948
Supplies and Equipment	2,718	5,457	509	8,685	2,411	-	11,096
Telecommunications	1,186	1,186	1,779	4,152	1,779	-	5,931
Travel and Training	158	-	459	617	647	-	1,264
Rent and Utilities	7,125	19,432	-	26,557	5,830	-	32,387
Auto Expense	-	-	-	-	745	-	745
Advertising	-	-	-	-	1,539	-	1,539
Other Expenses	-	-	2,946	2,946	172	-	3,118
Depreciation	274	590	-	864	190	-	1,054
Insurance	-	-	-	-	2,350	-	2,350
IT Software & Hardware	-	-	-	-	4,993	-	4,993
Total	\$ 99,469	\$ 175,954	\$ 7,896	\$ 283,319	\$ 77,541	\$ -	\$ 360,860