

**KLCC-FM RADIO OF
LANE COMMUNITY COLLEGE**

AUDIT REPORT

Years Ended June 30, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

February 5, 2024

Board of Education
Lane Community College
Eugene, Oregon

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of KLCC-FM Radio of Lane Community College as of and for the years ended June 30, 2023 and 2022, and KLCC Public Radio Foundation, its discretely presented component unit, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise KLCC-FM Radio of Lane Community College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of KLCC-FM Radio of Lane Community College as of June 30, 2023 and 2022, and the changes in its financial position and its cash flows for the years then ended, and the financial position of KLCC Public Radio Foundation as of June 30, 2023 and 2022, 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 Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 KLCC-FM Radio of Lane Community College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 KLCC-FM Radio'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 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 GAAS 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 GAAS, 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 KLCC-FM Radio'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 KLCC-FM Radio'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.

Emphasis of Matter

As discussed in Note 1 to the financial statements of KLCC-FM Radio, the Station's financial statements are intended to present the financial position, changes in financial position and cash flows of only that portion of the financial reporting entity of Lane Community College that is attributable to the transactions of KLCC-FM Radio. They do not purport to, and do not, present fairly the financial position of Lane Community College as of June 30, 2023 and 2022, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Kenneth Kuhns & Co

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MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis section of the radio station's annual financial performance provides an overview of the financial activities of KLCC-FM Radio of Lane Community College (KLCC) for the fiscal year ended June 30, 2023. The discussion is designed to assist the readers in understanding the accompanying financial statements through an objective and easily readable analysis of KLCC's financial activities.

Overview of the Basic Financial Statements

The discussion and analysis serves as an introduction to KLCC's basic entity-wide financial statements. The entity-wide presentation is designed to provide readers with a broad overview of KLCC's finances, in a manner similar to a private sector business. These financial statements focus on KLCC's overall financial condition, its results of operations and its cash flows. The entity-wide statements are comprised of the following:

- The **Statement of Net Position** presents KLCC's assets and liabilities with the difference between the two reported as *net position*. Over time, increases or decreases in net position are indicators of the improvement or erosion of KLCC's financial condition. Assets and liabilities are generally measured using current values; capital assets are stated at historical cost, less an allowance for depreciation.
- The **Statement of Activities** presents the revenues earned and the expenses incurred during the year. Revenues and expenses are generally reported using the accrual method of accounting, which records transactions as soon as they occur, regardless when cash is exchanged. Usage of capital assets is reported as depreciation expense, which amortizes the cost of the assets over their estimated useful lives. Revenues and expenses are reported as either operating or non-operating. Primary source of operating revenue is underwriting and grants and contracts for specific operating activities of KLCC. Contributions and memberships revenues and Lane Community College support are classified as non-operating revenues.
- The **Statement of Cash Flows** presents information on cash flows from operating activities, non-capital financing activities, capital financing activities and investing activities. It provides the net increase or decrease in cash between the beginning and end of the fiscal year. This statement assists in evaluating financial viability and KLCC's ability to meet financial obligations as they become due.
- The **Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the entity-wide financial statements.

Financial Highlights

- KLCC finished fiscal year 2023 with a positive \$94.1 thousand change in net position, finished fiscal year 2022 with a positive \$28.7 thousand change in net position, and finished fiscal year 2021 with a positive \$10.2 thousand change in net position.
- KLCC's cash and cash equivalents of \$1.0 million at June 30, 2023 was less by 35.3% than the \$1.6 million at June 30, 2022 and less by 32.2% than the \$1.5 million at June 30, 2021.
- KLCC was awarded a Community Service Grant from the Corporation for Public Broadcasting of \$354,534 during fiscal year 2023. Of this amount, \$254,262 was expended and recognized as earned revenue during the year. Additionally, \$47,842 from the 2021 Community Service Grant was expended and recognized as earned revenue during 2023.
- KLCC was awarded a \$450,000 Public Affairs grant by KLCC Public Radio Foundation during fiscal year 2023. Of this amount, \$450,000 is shown as grant revenue, \$96,578 is included in program services expenses, and the remaining \$353,422 is restricted for public affairs expenses.

*KLCC-FM Radio of Lane Community College
For years ended June 30, 2023 and 2022*

- KLCC's Paycheck Protection Program loan of \$231,313 received during fiscal year 2021 was forgiven during 2022 as eligibility requirements were met.
- KLCC created a not-for-profit organization, the KLCC Community Support Board, in a prior year to assist the station with fundraising including soliciting major gifts and acquiring grants. The foundation changed their name to KLCC Public Radio Foundation. The foundation has been granted tax exempt status from the IRS and is presented as a component unit of KLCC.

Analysis of the Statement of Net Position

The Statement of Net Position includes all assets and liabilities of KLCC using the accrual basis of accounting. Net position is the difference between assets and liabilities. It is an important measure of the financial condition of KLCC.

	June 30,		
	2023	2022	2021
Assets:			
Cash and cash equivalents	\$1,031,300	\$ 1,594,609	\$ 1,521,075
Grant receivable:			
Current portion	150,000	-	-
Long-term portion	300,000	-	-
Accounts receivable	6,415	-	3,642
Capital assets, net of accumulated depreciation	<u>1,139,560</u>	<u>1,190,058</u>	<u>1,238,947</u>
Total assets	<u>\$2,627,275</u>	<u>\$ 2,784,667</u>	<u>\$ 2,763,664</u>
Liabilities:			
Current liabilities	\$ 101,495	\$ 351,725	\$ 174,098
PPP loan payable	-	-	231,313
Unearned revenue	<u>364,565</u>	<u>365,846</u>	<u>319,807</u>
Total liabilities	<u>466,060</u>	<u>717,571</u>	<u>725,218</u>
Net Position:			
Invested in capital assets	1,139,560	1,190,058	1,238,947
Restricted	353,422	-	-
Unrestricted	<u>668,233</u>	<u>877,038</u>	<u>799,499</u>
Total net position	<u>2,161,215</u>	<u>2,067,096</u>	<u>2,038,446</u>
Total liabilities and net position	<u>\$2,627,275</u>	<u>\$ 2,784,667</u>	<u>\$ 2,763,664</u>

At June 30, 2023 KLCC's current assets of \$1.2 million was sufficient to cover KLCC's liabilities of \$101.5 thousand. Current assets consist of cash and cash equivalents, the current portion of a grant receivable and accounts receivable. Included in noncurrent assets are the long-term portion of a grant receivable and capital assets (land, buildings, machinery and equipment) net of accumulated depreciation used to provide services.

*KLCC-FM Radio of Lane Community College
For years ended June 30, 2023 and 2022*

Current liabilities consist of accounts payable and compensated absences. Other liabilities consist of unearned revenue from cash received from grantors in excess of related grant expenditures.

Within net position, the “invested in capital assets” amount of \$1.1 million represents the total original cost of all of KLCC’s land, buildings, machinery and equipment and infrastructure, less total accumulated depreciation on these assets.

Analysis of the Statement of Activities

The Statement of Activities presents the operating results of KLCC as well as the non-operating revenues and expenses.

	Years Ended June 30,		
	2023	2022	2021
Revenues:			
Underwriting	\$ 506,284	\$ 526,549	\$ 459,963
Grants and contracts:			
CPB Community Service grant	302,104	279,616	181,108
CPB CARES Act grant	-	-	93,374
Public Affairs grant	450,000	-	-
In-kind contributions	-	24,402	27,765
Contributions and memberships	1,292,234	1,090,445	1,458,127
Lane Community College:			
General appropriation	44,086	41,162	39,866
Donated facilities and administrative support	387,000	310,149	405,511
Forgiveness of PPP loan	-	231,313	-
Total revenues	<u>2,981,708</u>	<u>2,503,636</u>	<u>2,665,714</u>
Expenses:			
Program services	1,505,323	1,388,431	1,329,902
Supporting services	1,331,768	1,037,666	1,276,809
Depreciation	<u>50,498</u>	<u>48,889</u>	<u>48,841</u>
Total expenses	<u>2,887,589</u>	<u>2,474,986</u>	<u>2,655,552</u>
Change in net position	94,119	28,650	10,162
Net position - beginning of year	<u>2,067,096</u>	<u>2,038,446</u>	<u>2,028,284</u>
Net position - end of year	<u>\$ 2,161,215</u>	<u>\$ 2,067,096</u>	<u>\$ 2,038,446</u>

Revenues:

Total operating revenues, which exclude College appropriations, of KLCC for fiscal years 2023, 2022 and 2021 were \$808.4 thousand, \$830.6 thousand and \$668.8 thousand. The primary source of operating revenue was from underwriting.

Non-operating revenues for fiscal year 2023 were \$2.2 million which is a \$500.3 thousand increase over 2022 and a \$176.4 thousand increase over 2021. Contributions and membership is the largest share at \$1.3 million in 2023, \$1.1 million in 2022 and \$1.5 million in 2021.

Total 2023 revenues increased 19.1% from 2022 and increased 11.9% from 2021.

*KLCC-FM Radio of Lane Community College
For years ended June 30, 2023 and 2022*

Expenses:

Total expenses of KLCC for the fiscal years were \$2.9 million for 2023, \$2.5 million for 2022 and, \$2.7 million for 2021. Program services expenses increased \$116.9 thousand or 8.4% from 2022 and increased \$175.4 thousand or 13.2% from 2021. Supporting services expenses increased \$294.1 thousand or 28.3% from 2022 and increased \$55.0 thousand or 4.3% from 2021.

Total 2023 expenses increased 16.7% from 2022 and increased 8.7% from 2021.

Analysis of the Statement of Cash Flows

This statement provides an assessment of the financial health of KLCC. Its primary purpose is to provide relevant information about the cash receipts and cash payments of KLCC during a stated period. The statement of cash flows also helps users assess the ability of KLCC to meet obligations as they become due and the need for external financing.

In summary form the cash flows for the years were:

	Years Ended June 30,		
	2023	2022	2021
Cash Provided by (Used In):			
Operating Activities	\$ (1,839,503)	\$ (1,115,426)	\$ (1,376,781)
Noncapital Financing Activities	1,276,194	1,188,960	2,082,612
Capital Financing Activities	-	-	-
Investing Activities	-	-	-
Net increase (decrease) in cash	(563,309)	73,534	705,831
Cash - Beginning of year	1,594,609	1,521,075	815,244
Cash - End of year	<u>\$ 1,031,300</u>	<u>\$ 1,594,609</u>	<u>\$ 1,521,075</u>

The major sources of cash from operating activities includes receipts from underwriting. Major uses were payments made to employees, employee benefit programs and vendors.

Contributions and memberships receipts were the primary source of noncapital financing activities in 2023, 2022 and 2021. Receipts from a CPB CARES Act grant, receipts from a CPB ARPA grant and proceeds from a Paycheck Protection Program loan were also received in 2021. Accounting standards require that KLCC reflect these sources of revenue as non-operating even though KLCC's budget depends on these revenues for ongoing operations.

Requests for Information

This financial report is designed to provide a general overview of KLCC-FM Radio of Lane Community College. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

College Finance
Lane Community College
4000 East 30th Avenue
Eugene, Oregon 97405-0640

BASIC FINANCIAL STATEMENTS

KLCC-FM RADIO OF LANE COMMUNITY COLLEGE

Statement of Net Position
June 30, 2023 and 2022

	2023	2022
<u>Assets</u>		
Cash and cash equivalents	\$ 1,031,300	\$ 1,594,609
Grant receivable	450,000	-
Accounts receivable	6,415	-
Capital assets, net of accumulated depreciation	1,139,560	1,190,058
Total assets	2,627,275	2,784,667
<u>Liabilities</u>		
Accounts payable	13,392	285,010
Compensated absences	88,103	66,715
Unearned revenue	364,565	365,846
Total liabilities	466,060	717,571
<u>Net Position</u>		
Invested in capital assets	1,139,560	1,190,058
Restricted for public affairs	353,422	-
Unrestricted	668,233	877,038
Total net position	\$ 2,161,215	\$ 2,067,096

The accompanying notes are an integral part of this statement.

KLCC-FM RADIO OF LANE COMMUNITY COLLEGE

Statement of Activities
Years Ended June 30, 2023 and 2022

	2023	2022
Operating revenues:		
Underwriting	\$ 506,284	\$ 526,549
Corporation for Public Broadcasting Community Service grant	302,104	279,616
In-kind contributions	-	24,402
Total operating revenues	808,388	830,567
Operating expenses:		
Program services:		
Programming and production	1,214,671	1,079,086
Broadcasting	290,652	302,895
Program information	-	6,450
Total program services	1,505,323	1,388,431
Supporting services:		
Management and general	740,007	634,314
Fund raising and membership development	434,589	245,974
Underwriting and grant solicitation	157,172	157,378
Total supporting services	1,331,768	1,037,666
Depreciation	50,498	48,889
Total operating expenses	2,887,589	2,474,986
Operating loss	(2,079,201)	(1,644,419)
Nonoperating revenues:		
Contributions and memberships	1,292,234	1,090,445
KLCC Public Radio Foundation Public Affairs grant	450,000	-
Lane Community College:		
General appropriation	44,086	41,162
Donated facilities and administrative support	387,000	310,149
Forgiveness of PPP loan	-	231,313
Total nonoperating revenues	2,173,320	1,673,069
Change in net position	94,119	28,650
Net position - beginning of year	2,067,096	2,038,446
Net position - end of year	\$ 2,161,215	\$ 2,067,096

The accompanying notes are an integral part of this statement.

KLCC-FM RADIO OF LANE COMMUNITY COLLEGE

Statement of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Receipts from underwriting	\$ 506,284	\$ 526,549
Receipts from CPB Community Service grant	354,534	271,944
Payments to employees for services	(1,400,549)	(1,282,285)
Payments to suppliers for goods and services	(1,299,772)	(631,634)
Net cash used in operating activities	(1,839,503)	(1,115,426)
Cash flows from non-capital financing activities:		
Receipts from contributions and memberships	1,232,108	1,147,798
Receipts from Lane Community College general appropriation	44,086	41,162
Net cash provided by non-capital financing activities	1,276,194	1,188,960
Net increase-(decrease) in cash and cash equivalents	(563,309)	73,534
Cash and cash equivalents - beginning of year	1,594,609	1,521,075
Cash and cash equivalents - end of year	\$ 1,031,300	\$ 1,594,609
Noncash investing, capital and financing activities:		
Public Affairs grant revenue	\$ 450,000	\$ -
Donated facilities and administrative support revenue	387,000	310,149
Forgiveness of PPP loan	-	231,313
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (2,079,201)	\$ (1,644,419)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Donated facilities and administrative support expense	387,000	310,149
Depreciation	50,498	48,889
Increase-(decrease) in accounts payable	(271,618)	185,724
Increase-(decrease) in compensated absences	21,388	(8,097)
Increase-(decrease) in unearned revenue related to operating grant	52,430	(7,672)
Total adjustments	239,698	528,993
Net cash used in operating activities	\$ (1,839,503)	\$ (1,115,426)

The accompanying notes are an integral part of this statement.

KLCC-FM RADIO OF LANE COMMUNITY COLLEGE

Notes to Financial Statements Years Ended June 30, 2023 and 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of KLCC-FM Radio of Lane Community College have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Station's accounting policies are described below.

(A) Organization and Operation

KLCC-FM Radio is operated by Lane Community College (the institutional licensee). Lane Community College records the transactions of the Station within the College's financial statements. Because the Station's financial statements present only a selected portion of the activities of Lane Community College, they are not intended to and do not present the financial position, changes in financial position and cash flows of the College as a whole.

(B) Description of the Reporting Entity

The financial statements of KLCC-FM Radio present the Station and its component unit, KLCC Public Radio Foundation, which was organized with the mission of building support for KLCC-FM Radio as a strong and valuable resource for the community. The Foundation is a discretely presented component unit and is reported separately in financial statements following those of the Station.

The Foundation is a legally separate, tax-exempt entity and acts primarily as a fund raising organization to supplement the resources that are available to the Station in support of its programs. The board of directors of the Foundation is self-perpetuating. Although the Station does not control the timing or amount of receipts from the Foundation, the majority of resources that the Foundation holds and invests are restricted to the activities of the Station. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the Station, the Foundation is considered a component unit of the Station and is discretely presented in these financial statements.

The Foundation reports as a not-for-profit organization under Financial Accounting Standards Board (FASB) standards. As a result, certain revenue recognition criteria and presentation features are different from GASB revenue recognition and presentation features. No modifications have been made to the Foundation's financial information in the Station's financial reporting entity for these differences.

KLCC-FM RADIO OF LANE COMMUNITY COLLEGE

Notes to Financial Statements
Years Ended June 30, 2023 and 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd)

During the year ended June 30, 2023, the Foundation provided contributions to the Station of \$450,000 by a grant award and \$2,167 by cash. These 2022-23 contributions are included in revenues in the Station's financial statements and are shown as program services expenses in the Foundation's financial statements. During the year ended June 30, 2022, the Foundation provided contributions totaling \$50,821 to the Station. These 2021-22 contributions are included in revenues in the Station's financial statements and are shown as program services expenses in the Foundation's financial statements.

(C) Measurement Focus and Basis of Accounting

The government-wide financial statements of the Station are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Operating revenues and expenses are distinguished from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the Station's ongoing operations. The principal operating revenues of the Station are underwriting and grants for specific operating activities of the Station. Operating expenses include the cost of program services and support services, and depreciation on capital assets. Other revenues, typically from non-exchange transactions, such as contributions and memberships, the appropriation from Lane Community College and nonoperating grants, are not generated from operations and are considered nonoperating revenues.

(D) Cash and Cash Equivalents

Cash balances of the Station are pooled in bank accounts maintained by Lane Community College. For purposes of the statement of cash flows, cash and cash equivalents include the Station's portion of the College's pooled accounts. The pooled accounts have the general characteristics of a demand deposit account.

(E) Capital Assets

Capital assets include broadcasting rights and equipment with a useful life greater than one year. The Station's capitalization threshold is \$10,000 for all capital assets. Donated capital assets are recorded at their acquisition value on the date donated. Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add value or functionality to the asset are not capitalized, but are expensed as incurred.

Capital assets are depreciated using the straight-line method over a 5 to 25 year estimated life.

KLCC-FM RADIO OF LANE COMMUNITY COLLEGE

Notes to Financial Statements
Years Ended June 30, 2023 and 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd)

(F) Unearned Revenue

Cash received from grantors in excess of related grant expenditures is recorded as unearned revenue.

(G) Compensated Absences

Vacation payable is expected to be paid with future resources and is recorded in the government-wide financial statements as earned by employees.

(H) Indirect Administrative Support

Indirect administrative support consists of allocated support service costs incurred by the College on behalf of the Station. These costs are recorded as revenues and expenditures by the Station at estimated fair values.

(I) Restrictions

When restricted and unrestricted resources are available for use, restricted resources are generally used first.

(J) Use of Estimates

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

2 - CASH AND CASH EQUIVALENTS:

Cash and cash equivalents are included in the Lane Community College cash and investments pool. Readers of these financial statements are referred to the College's annual comprehensive financial report for information regarding the extent deposits at the College are collateralized.

3 - GRANT RECEIVABLE:

The Station was awarded a \$450,000 Public Affairs grant by KLCC Public Radio Foundation during the year ended June 30, 2023. Payments are due at \$150,000 annually for three years.

KLCC-FM RADIO OF LANE COMMUNITY COLLEGE

Notes to Financial Statements
Years Ended June 30, 2023 and 2022

4 - CAPITAL ASSETS:

The following is a summary of changes in the Station's capital assets during the fiscal years:

Year Ended June 30, 2023:	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Capital assets not being depreciated:				
Land	\$ 320,613	\$ -	\$ -	\$ 320,613
Broadcasting rights	75,000	-	-	75,000
Total capital assets not being depreciated	395,613	-	-	395,613
Capital assets being depreciated:				
Building	1,137,034	-	-	1,137,034
Equipment	688,252	-	-	688,252
Total capital assets being depreciated	1,825,286	-	-	1,825,286
Accumulated depreciation:				
Building	508,247	33,383	-	541,630
Equipment	522,594	17,115	-	539,709
Total accumulated depreciation	1,030,841	50,498	-	1,081,339
Total capital assets being depreciated, net	794,445	(50,498)	-	743,947
Net capital assets	<u>\$ 1,190,058</u>	<u>\$ (50,498)</u>	<u>\$ -</u>	<u>\$ 1,139,560</u>
Year Ended June 30, 2022:	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 320,613	\$ -	\$ -	\$ 320,613
Broadcasting rights	75,000	-	-	75,000
Total capital assets not being depreciated	395,613	-	-	395,613
Capital assets being depreciated:				
Building	1,137,034	-	-	1,137,034
Equipment	688,252	-	-	688,252
Total capital assets being depreciated	1,825,286	-	-	1,825,286
Accumulated depreciation:				
Building	474,865	33,382	-	508,247
Equipment	507,087	15,507	-	522,594
Total accumulated depreciation	981,952	48,889	-	1,030,841
Total capital assets being depreciated, net	843,334	(48,889)	-	794,445
Net capital assets	<u>\$ 1,238,947</u>	<u>\$ (48,889)</u>	<u>\$ -</u>	<u>\$ 1,190,058</u>

KLCC-FM RADIO OF LANE COMMUNITY COLLEGE

Notes to Financial Statements
Years Ended June 30, 2023 and 2022

5 - PPP LOAN FORGIVENESS:

The Station received loan proceeds of \$231,313 during 2020-21 under the Paycheck Protection Program established as part of the CARES Act. The loan was forgiven in 2021-22 because the Station used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, while maintaining its payroll levels.

KLCC PUBLIC RADIO FOUNDATION
 Statements of Financial Position
 June 30, 2023 and 2022

Assets

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 1,564,613	\$ 1,386,262
Investments	1,581,242	984,632
Unconditional promises to give	384,200	286,907
Grants receivable	50,000	75,000
Prepaid expenses	<u>4,907</u>	<u>-</u>
 Total assets	 <u>\$ 3,584,962</u>	 <u>\$ 2,732,801</u>

Liabilities and Net Assets

Liabilities:		
Grant payable	<u>\$ 450,000</u>	<u>\$ -</u>
 Net assets:		
Without donor restrictions	2,876,136	2,391,328
With donor restrictions	<u>258,826</u>	<u>341,473</u>
 Total net assets	 <u>3,134,962</u>	 <u>2,732,801</u>
 Total liabilities and net assets	 <u>\$ 3,584,962</u>	 <u>\$ 2,732,801</u>

The accompanying notes are an integral part of this statement.

KLCC PUBLIC RADIO FOUNDATION
Statements of Activities
Years Ended June 30, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:						
Contributions	\$ 894,016	\$ 20,500	\$ 914,516	\$ 904,063	\$ 26,250	\$ 930,313
Realized investment earnings	85,536	-	85,536	17,658	-	17,658
Net unrealized gains on investments	62,505	-	62,505	-	-	-
Other income	27	-	27	227	-	227
Net assets released from restrictions for program services	103,147	(103,147)	-	53,859	(53,859)	-
Total revenues and other support	1,145,231	(82,647)	1,062,584	975,807	(27,609)	948,198
Expenses and losses:						
Program services:						
KLCC-FM Radio Public Affairs - <i>Amplifying Oregon Voices</i>	450,000	-	450,000	-	-	-
KLCC-FM Radio operations	-	-	-	4,062	-	4,062
KLCC-FM Radio Multimedia Expansion Project	-	-	-	50,000	-	50,000
KLCC-FM Radio program professional development	5,157	-	5,157	5,407	-	5,407
KLCC-FM Radio equipment <i>Workin' it</i>	3,147	-	3,147	2,103	-	2,103
News and journalism	-	-	-	975	-	975
Total program services	458,304	-	458,304	69,937	-	69,937
Supporting services:						
General administration	87,889	-	87,889	44,209	-	44,209
Fundraising	29,369	-	29,369	9,793	-	9,793
Total supporting services	117,258	-	117,258	54,002	-	54,002
Net realized losses on sales of investments	84,861	-	84,861	-	-	-
Net unrealized losses on investments	-	-	-	104,217	-	104,217
Total expenses and losses	660,423	-	660,423	228,156	-	228,156
Change in net assets	484,808	(82,647)	402,161	747,651	(27,609)	720,042
Net assets, beginning of year	2,391,328	341,473	2,732,801	1,643,677	369,082	2,012,759
Net assets, end of year	<u>\$ 2,876,136</u>	<u>\$ 258,826</u>	<u>\$ 3,134,962</u>	<u>\$ 2,391,328</u>	<u>\$ 341,473</u>	<u>\$ 2,732,801</u>

The accompanying notes are an integral part of this statement.

KLCC PUBLIC RADIO FOUNDATION
Statements of Functional Expenses
Years Ended June 30, 2023 and 2022

	2023			2022		
	Program Services	Supporting Services	Total	Program Services	Supporting Services	Total
KLCC-FM Radio Public Affairs - <i>Amplifying Oregon Voices</i>	\$ 450,000	\$ -	\$ 450,000	\$ -	\$ -	\$ -
KLCC-FM Radio operations	-	-	-	4,062	-	4,062
KLCC-FM Radio Multimedia Expansion Project	-	-	-	50,000	-	50,000
KLCC-FM Radio program professional development	5,157	-	5,157	5,407	-	5,407
KLCC-FM Radio equipment	-	-	-	7,390	-	7,390
KLCC-FM Radio <i>Workin' it</i>	2,167	-	2,167	-	-	-
Contracted services - <i>Workin' it</i>	980	-	980	2,103	-	2,103
Contracted services - news and journalism	-	-	-	975	-	975
Board expenses	-	748	748	-	794	794
Insurance	-	1,527	1,527	-	1,407	1,407
Office supplies and expense	-	3,249	3,249	-	2,915	2,915
Professional services - accounting	-	14,152	14,152	-	13,000	13,000
Professional services - consulting	-	40,500	40,500	-	-	-
Vehicle donation program expenses	-	27,713	27,713	-	26,093	26,093
Fundraising	-	29,369	29,369	-	9,793	9,793
Totals	<u>\$ 458,304</u>	<u>\$ 117,258</u>	<u>\$ 575,562</u>	<u>\$ 69,937</u>	<u>\$ 54,002</u>	<u>\$ 123,939</u>

The accompanying notes are an integral part of this statement.

KLCC PUBLIC RADIO FOUNDATION
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Revenues collected:		
Contributions	\$ 827,839	\$ 959,626
Realized investment earnings	85,536	17,658
Other income	27	227
Total revenues collected	913,402	977,511
Expenses paid:		
Program services	8,304	69,973
Supporting services	107,781	54,002
Total expenses paid	116,085	123,975
Net cash provided by operating activities	797,317	853,536
Cash flows from investing activities:		
Purchases of investments	(2,042,494)	(1,089,817)
Proceeds from sales of investments	1,423,528	16,468
Net cash used in investing activities	(618,966)	(1,073,349)
Increase-(decrease) in cash and cash equivalents	178,351	(219,813)
Cash and cash equivalents, beginning of year	1,386,262	1,606,075
Cash and cash equivalents, end of year	\$ 1,564,613	\$ 1,386,262
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	\$ 402,161	\$ 720,042
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized losses on sales of investments	84,861	-
Net unrealized (gains)-losses on investments	(62,505)	104,217
Noncash stock contributions	(11,473)	(58,039)
Noncash stock contributions converted to cash	11,473	58,039
Other noncash contributions	(14,384)	-
Other noncash expenses	14,384	-
Decrease-(increase) in unconditional promises to give	(97,293)	49,063
Decrease-(increase) in grants receivable	25,000	(19,750)
Increase in prepaid expense	(4,907)	-
Increase in grant payable	450,000	-
Decrease in payroll taxes payable	-	(36)
Total adjustments	395,156	133,494
Net cash provided by operating activities	\$ 797,317	\$ 853,536

The accompanying notes are an integral part of this statement.

KLCC PUBLIC RADIO FOUNDATION
Notes to Financial Statements
Years Ended June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

KLCC Public Radio Foundation (the Foundation) is a not-for-profit corporation which was organized with the mission of building support for KLCC-FM Radio as a strong and valuable resource for the community. The primary functions of KLCC Public Radio Foundation are to fundraise, advocate, and provide community outreach in support of KLCC-FM Radio. The Foundation raises and donates funds to assist the radio station. The primary revenue sources for the Foundation are donor contributions and fundraising activities. The Foundation is governed by a board of directors which is self-perpetuating.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Financial Statement Presentation

The financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) in FASB Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under FASB ASC 958, the Foundation is required to report information regarding its financial position and activities according to the following net assets classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. This includes all donor-restricted contributions whose restrictions are met in the same period as the donation is received.

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

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

KLCC PUBLIC RADIO FOUNDATION
Notes to Financial Statements
Years Ended June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd)

Use of Estimates

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

Investment Policy/ Spending Policy

The KLCC Public Radio Foundation Board is responsible for determining investment objectives and strategies that are consistent with its written values, goals and policies. Specifically, the Board will establish goals for the organization's financial portfolio including management of funds for investment purposes. In order to ensure sound management of investment funds, the Board will enlist the professional assistance of established investment organizations to manage investment assets when the asset value of the Board's investments exceeds \$1,000,000 or exceeds \$250,000 in equity. The investment organizations, whether a community foundation or individual firm, are to be selected by the procedure described in Board policy.

The KLCC Public Radio Foundation Board's appointed Finance and Investment Committee will include at least three Board members and one member from the community who is to be appointed by the Board. This committee will meet at least annually to review assets and investments and to provide quarterly reports to the Board. The Finance and Investment Committee shall determine the number of meetings to be held with the selected investment organization or individuals.

The Foundation's cash and investment management policy provides for three tiers based on expected liquidity needs and return objectives. Collectively these tiers are known as the cash and investments pool. Investment activities for all tiers are guided by the objectives of safety, liquidity and return.

The Tier 1 portfolio is used to meet the expected day-to-day obligations of the Foundation. Appropriate investments include funds deposited in checking accounts held at FDIC or NCUA insured institutions.

The Tier 2 portfolio is used to hold funds that, while not needed to meet immediate obligations, are expected to be needed during the annual cash cycle. This portfolio may also contain funds for capital projects and to meet unanticipated liquidity needs. Donor restricted funds should primarily be considered Tier 2 funds. Acceptable investment instruments for Tier 2 funds include (a) high yield savings accounts, (b) money market accounts, (c) certificates of deposit, (d) insured cash sweeps (ICS), and (e) certificate of deposit account registry service (CDARS).

KLCC PUBLIC RADIO FOUNDATION
Notes to Financial Statements
Years Ended June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd)

Investment Policy/ Spending Policy (Contd)

The Tier 3 portfolio represents cash balances that are not expected to support operations, near term liquidity needs, or fund intermediate term projects, and therefore may be invested for an indefinite period of time. Tier 3 funds may not include donor restricted funds. Tier 3 funds are managed by an investment advisor. Tier 3 funds may be invested in (a) common and preferred stocks, (b) mutual funds, (c) treasury bills, (d) commercial paper, (e) corporate notes or bonds, (f) US government notes or bonds, (g) publicly traded REITs, (h) exchange traded funds, and (i) obligations of any state or its political subdivisions.

Funds from the Foundation will be transferred to KLCC-FM Radio in compliance with laws, Lane Community College policies and the Foundation's bylaws, working agreement and gift agreements. The Foundation will award funds to KLCC-FM Radio based on budgeted expenses and cash flow and upon approval by the Foundation for the allocation of funds for operations, capital improvements, projects and services.

Funds received by the Foundation for KLCC-FM Radio will be distributed to the radio station as prescribed by the funder or as outlined in the application proposals granted to the radio station with written documentation.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in a checking account, cash in a money market account at a financial institution, cash in an IntraFi cash service account at a financial institution and cash at an investment firm.

Investments

Investments in mutual funds, equity exchange traded products, fixed income exchange traded products and U.S. Treasury Agency Securities with readily determinable fair values are reported at their fair values in the statement of financial position. Realized and unrealized gains and losses are reflected in the statement of activities. Investment income and gains restricted by a donor are reported as increases in donor-restricted net assets until the restrictions are met (either by the passage of time or by use).

KLCC PUBLIC RADIO FOUNDATION
Notes to Financial Statements
Years Ended June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd)

Contributions

Contributions received are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Promises to give which are, in substance, unconditional and grants receivable are recorded as with or without donor restrictions at the time the promise or grant is made.

All donor-restricted support is reported as an increase in donor-restricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished) restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions and grants are recognized as support when they are received or unconditionally promised. Grants and other contracts are classified as contributions in instances in which a resource provider is not itself receiving commensurate value for the resources provided. Contributions are considered conditional when the agreement with the resource provider includes a barrier that must be overcome and either a right of return of assets transferred or right of release of a promisor's obligation to transfer assets. Conditional contributions are not recognized as revenue until the conditions are substantially met. Cash received prior to when conditions are substantially met are recognized as refundable advances.

The Foundation receives funding from various grants and contracts. Grants and contracts normally provide for the recovery of direct and indirect costs. Entitlement to the recovery of the direct and related indirect costs is conditional upon compliance with the terms and conditions of the grant agreements and with applicable regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance reviews and audits by the grantors.

Functional Allocation of Expenses

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

Income Taxes

The Foundation is a not-for-profit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and is exempt from Oregon excise taxes under applicable state law.

KLCC PUBLIC RADIO FOUNDATION
Notes to Financial Statements
Years Ended June 30, 2023 and 2022

2. AVAILABILITY AND LIQUIDITY

Financial assets at June 30, 2023 and 2022 available to meet general expenditures, that is, without donor restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following:

	<u>2023</u>	<u>2022</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 1,564,613	\$ 1,386,262
Investments	1,581,242	984,632
Unconditional promises to give	384,200	286,907
Grants receivable	<u>50,000</u>	<u>75,000</u>
 Total financial assets	 <u>3,580,055</u>	 <u>2,732,801</u>
 Less amounts not available for general expenditures:		
Unconditional promises to give not available for use until future years	 21,834	 86,231
Net assets restricted for program services	<u>258,826</u>	<u>341,473</u>
 Total amounts not available for general expenditures	 <u>280,660</u>	 <u>427,704</u>
 Financial assets available to meet general expenditures over the next year	 <u>\$ 3,299,395</u>	 <u>\$ 2,305,097</u>

The Foundation has certain funds limited to use for program services as well as funds payable from donor-restricted funds, both of which are not available for general use within one year.

As part of its liquidity management plan, the Foundation invests cash in excess of daily requirements in readily available money market funds or other Tier 2 investments (see Note 1). Cash balances that are not expected to support operations, near term liquidity needs, or fund intermediate term projects are invested in Tier 3 investments (see Note 1).

KLCC PUBLIC RADIO FOUNDATION
Notes to Financial Statements
Years Ended June 30, 2023 and 2022

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash in checking account	\$ 493,240	\$ 599,445
Cash in money market account	3,515	754,122
Cash in IntraFi cash service account	988,573	-
Cash at investment firm	<u>79,285</u>	<u>32,695</u>
Total cash and cash equivalents	<u>\$ 1,564,613</u>	<u>\$ 1,386,262</u>

The Foundation maintains a checking account and a money market account at a financial institution insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. Amounts on deposit continually exceed FDIC coverage. At June 30, 2023, the amount shown on deposit by the financial institution was \$497,526 which exceeds FDIC coverage by \$247,526. At June 30, 2022, the amount shown on deposit by the financial institution was \$1,411,835 which exceeds FDIC coverage by \$1,161,835. The Foundation also has cash in an IntraFi cash service account and cash at an investment firm which is FDIC insured.

4. INVESTMENTS

The Foundation's investments are reported at fair value using quoted market prices and consist of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Equity mutual funds (stocks)	\$ 315,672	\$ 143,280
Debt mutual funds (bonds)	761,129	514,162
Equity exchange traded products	50,616	20,343
Fixed income exchange traded products	282,367	306,847
U.S. Treasury Agency Securities	<u>171,458</u>	<u>-</u>
Total investments	<u>\$ 1,581,242</u>	<u>\$ 984,632</u>

KLCC PUBLIC RADIO FOUNDATION
Notes to Financial Statements
Years Ended June 30, 2023 and 2022

4. INVESTMENTS (Contd)

The following summarizes the investment return for the years ended June 30, 2023 and 2022. Realized investment earnings include revenues from cash, money market funds, IntraFi cash service funds, equity mutual funds, debt mutual funds, exchange traded products and U.S. Treasury Agency Securities.

	2023	2022
Realized investment earnings, net of investment expenses of \$12,048 in 2023 and \$8,724 in 2022	\$ 85,536	\$ 17,658
Net realized losses on sales of investments	(84,861)	-
Net unrealized gains-(losses) on investments	62,505	(104,217)
Total	\$ 63,180	\$ (86,559)

The Foundation's investments are diversified in a variety of equity mutual funds, debt mutual funds, exchange traded products and U.S. Treasury Agency Securities. However, the Foundation's investments are subject to market fluctuations which could dramatically affect the fair value of these assets. The Foundation's investments are held by third-party custodians and are subject to custodial risk.

5. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following at June 30, 2023 and 2022:

	2023	2022
Due within one year	\$ 362,366	\$ 200,676
Due within two years	14,867	77,500
Due within three years	7,867	5,000
Due within four years	-	5,000
Total unconditional promises to give	385,100	288,176
Less discount to net present value	(900)	(1,269)
Net unconditional promises to give	\$ 384,200	\$ 286,907

6. GRANT PAYABLE

The Foundation awarded a Public Affairs – *Amplifying Oregon Voices* grant to KLCC-FM Radio during the year ended June 30, 2023. Payments are due at \$150,000 annually for three years.

KLCC PUBLIC RADIO FOUNDATION
Notes to Financial Statements
Years Ended June 30, 2023 and 2022

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2023 and 2022 subject to expenditure for specified purposes:

	2023	2022
Journalists	\$ 200,000	\$ 200,000
Public Affairs	-	100,000
Amplifying Arts	25,000	25,000
Equipment	20,000	-
News and Journalism	13,326	13,326
<i>Workin' it</i>	-	3,147
Educational Programming	500	-
Totals	\$ 258,826	\$ 341,473

During the year ended June 30, 2023, \$103,147 was released from restricted net assets, and during the year ended June 30, 2022, \$53,859 was released from restricted net assets because purpose restrictions were satisfied.

8. FAIR VALUE MEASUREMENTS

The Foundation follows the requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*. In accordance with FASB ASC 820, the fair value of a financial instrument is the price that would be received to sell an asset or paid to satisfy a liability in an orderly transaction between market participants at the measurement date. Accounting standards establish a framework for measuring fair value and a three level hierarchy for fair value measurements based upon observable and unobservable input valuation techniques. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect significant market assumptions including those made by the reporting entity. The three level hierarchy is summarized as follows:

Level 1 - Quoted prices in active markets for identical securities

Level 2 - Other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, etc.)

Level 3 - Significant unobservable inputs (including the reporting entity's own assumptions in determining the fair value of investments)

Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The carrying amount of the Foundation's investments is based upon quoted market values, a Level 1 input.

KLCC PUBLIC RADIO FOUNDATION
Notes to Financial Statements
Years Ended June 30, 2023 and 2022

9. CONTRIBUTED NONFINANCIAL ASSETS

The Foundation receives donated nonfinancial assets which are then used in the Foundation's operations. These donations are recorded at their estimated fair value, and are reflected as revenues and expenses in the statement of activities. Contributed nonfinancial assets during the year ended June 30, 2023 did not have donor-imposed restrictions. Contributed nonfinancial assets received during 2022-23 consisted of the following:

<u>Donation</u>	<u>Amount</u>	<u>Used For</u>
University Football Tickets	\$13,768	Fundraising
Miscellaneous Materials	616	Miscellaneous

There were no contributed nonfinancial assets received during 2021-22.

10. SUBSEQUENT EVENTS

The Foundation evaluated subsequent events for potential required disclosure through January 26, 2024, which is the date the financial statements were available to be issued.