

**BLUE RIDGE BROADCASTING CORPORATION**  
(An Affiliate of the Billy Graham Evangelistic Association)

FINANCIAL STATEMENTS

*As of and for the Years Ended December 31, 2024 and 2023*

*And Report of Independent Auditor*

**BLUE RIDGE BROADCASTING CORPORATION**  
**(An Affiliate of the Billy Graham Evangelistic Association)**  
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## Report of Independent Auditor

To the Board of Directors  
Blue Ridge Broadcasting Corporation  
Black Mountain, North Carolina

### Opinion

We have audited the accompanying financial statements of Blue Ridge Broadcasting Corporation (the "Corporation"), which comprise the statements of financial position as of December 31, 2024 and 2023, 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 the Corporation as of December 31, 2024 and 2023, 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. 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 the Corporation 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 the Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### 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 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 Corporation'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 Corporation'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.

*Cherry Bekaert LLP*

Charlotte, North Carolina  
March 14, 2025

**BLUE RIDGE BROADCASTING CORPORATION**  
**(An Affiliate of the Billy Graham Evangelistic Association)**  
**STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 2,881,309	\$ 2,570,208
Contributions receivable	16,029	81,724
Other receivables	16,921	45,596
Prepaid expenses	27,855	29,931
<b>Total Current Assets</b>	<u>2,942,114</u>	<u>2,727,459</u>
Investments	6,264,746	5,544,598
Investments, board-designated endowment	1,566,187	1,386,149
Property and equipment, net	1,479,779	1,569,965
Intangible assets	2,030,000	2,030,000
<b>Total Assets</b>	<u><u>\$ 14,282,826</u></u>	<u><u>\$ 13,258,171</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts payable	\$ 176,805	\$ 47,016
Accrued expenses	223,392	120,565
Contribution payable	-	1,376
Other liabilities	19,050	-
<b>Total Liabilities</b>	<u>419,247</u>	<u>168,957</u>
Net Assets:		
Without Donor Restrictions:		
Invested in property and equipment and intangible assets	3,509,779	3,599,965
Board-designated endowment	1,566,187	1,386,149
Undesignated	8,787,613	8,103,100
<b>Total Net Assets Without Donor Restrictions</b>	<u>13,863,579</u>	<u>13,089,214</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 14,282,826</u></u>	<u><u>\$ 13,258,171</u></u>

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

**BLUE RIDGE BROADCASTING CORPORATION**  
**(An Affiliate of the Billy Graham Evangelistic Association)**  
**STATEMENTS OF ACTIVITIES**

*YEARS ENDED DECEMBER 31, 2024 AND 2023*

	<u>2024</u>	<u>2023</u>
Support and Revenue:		
Contributions	\$ 4,943,092	\$ 4,898,827
Rental income	15,410	31,061
Net investment return	951,748	1,105,461
Other income	191	181
Total Support and Revenue	<u>5,910,441</u>	<u>6,035,530</u>
Expenses:		
Program expenses	4,375,166	3,968,576
Supporting Services:		
Fundraising	403,347	366,956
General and administrative	357,563	326,446
Total Expenses	<u>5,136,076</u>	<u>4,661,978</u>
Change in net assets without donor restrictions	774,365	1,373,552
Net assets without donor restrictions, beginning of year	<u>13,089,214</u>	<u>11,715,662</u>
Net assets without donor restrictions, end of year	<u>\$ 13,863,579</u>	<u>\$ 13,089,214</u>

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

**BLUE RIDGE BROADCASTING CORPORATION**  
**(An Affiliate of the Billy Graham Evangelistic Association)**  
**STATEMENT OF FUNCTIONAL EXPENSES**

YEAR ENDED DECEMBER 31, 2024

	Program Expenses	Supporting Services		Total
		Fundraising	General and Administrative	
Salaries and benefits	\$ 2,402,993	\$ 241,836	\$ 219,820	\$ 2,864,649
Payroll taxes	146,714	15,386	13,985	176,085
Promotion	244,837	844	175	245,856
Telecommunications	114,232	6,561	5,407	126,200
Professional services	164,645	9,539	8,358	182,542
Maintenance and repair	233,677	17,889	16,167	267,733
Programming	72,219	-	-	72,219
Development	158,147	33,390	30,351	221,888
Supplies and equipment	98,598	14,232	12,937	125,767
Utilities	109,231	7,395	6,309	122,935
Outreach	60,335	12,741	11,581	84,657
Postage and freight	51,946	10,786	9,804	72,536
Insurance	61,767	6,255	5,649	73,671
Impact days	17,714	85	78	17,877
Equipment and facilities rent	70,356	1,941	-	72,297
Travel	58,340	6,493	5,903	70,736
Depreciation	205,635	4,368	2,743	212,746
Other expenses	103,780	13,606	8,296	125,682
	<u>\$ 4,375,166</u>	<u>\$ 403,347</u>	<u>\$ 357,563</u>	<u>\$ 5,136,076</u>

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

**BLUE RIDGE BROADCASTING CORPORATION**  
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**STATEMENT OF FUNCTIONAL EXPENSES**

YEAR ENDED DECEMBER 31, 2023

	Program Expenses	Supporting Services		Total
		Fundraising	General and Administrative	
Salaries and benefits	\$ 2,109,619	\$ 228,748	\$ 207,925	\$ 2,546,292
Payroll taxes	112,246	12,509	11,371	136,126
Promotion	220,947	44	40	221,031
Telecommunications	132,886	6,768	5,604	145,258
Professional services	144,162	10,900	9,624	164,686
Maintenance and repair	200,405	8,243	7,189	215,837
Programming	71,200	1	-	71,201
Development	90,631	19,139	17,396	127,166
Supplies and equipment	84,491	13,300	12,070	109,861
Utilities	106,157	6,285	5,306	117,748
Outreach	80,416	16,981	15,436	112,833
Postage and freight	51,459	10,867	9,877	72,203
Insurance	58,629	5,494	4,928	69,051
Impact days	54,274	273	248	54,795
Equipment and facilities rent	61,986	1,688	-	63,674
Travel	61,059	6,493	5,902	73,454
Depreciation	188,228	4,455	2,823	195,506
Other expenses	139,781	14,768	10,707	165,256
	<u>\$ 3,968,576</u>	<u>\$ 366,956</u>	<u>\$ 326,446</u>	<u>\$ 4,661,978</u>

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



**BLUE RIDGE BROADCASTING CORPORATION**  
**(An Affiliate of the Billy Graham Evangelistic Association)**  
**STATEMENTS OF CASH FLOWS**

YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities:</b>		
Change in net assets without donor restrictions	\$ 774,365	\$ 1,373,552
Adjustments to reconcile change in net assets without donor restrictions to net cash flows from operating activities:		
Depreciation	212,746	195,506
Net realized and unrealized gains on investments	(733,020)	(988,076)
Changes in operating assets and liabilities:		
Contributions receivable	65,695	(36,582)
Other receivables	28,675	(45,596)
Prepaid expenses	2,076	10,805
Accounts payable	129,789	14,371
Accrued expenses	102,827	(16,900)
Contribution payable	(1,376)	(63,702)
Other liabilities	19,050	-
Net cash flows from operating activities	<u>600,827</u>	<u>443,378</u>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(122,560)	(588,777)
Purchases of investments	(3,422,038)	(7,607,661)
Proceeds from sales of investments	<u>3,254,872</u>	<u>7,496,776</u>
Net cash flows from investing activities	<u>(289,726)</u>	<u>(699,662)</u>
Net change in cash and cash equivalents	311,101	(256,284)
Cash and cash equivalents, beginning of year	<u>2,570,208</u>	<u>2,826,492</u>
Cash and cash equivalents, end of year	<u>\$ 2,881,309</u>	<u>\$ 2,570,208</u>

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

**BLUE RIDGE BROADCASTING CORPORATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2024 AND 2023

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**Note 1—Nature of operations and summary of significant accounting policies**

*Corporation* – Blue Ridge Broadcasting Corporation (the “Corporation”) was incorporated in the state of North Carolina on January 2, 1959, as a non-profit corporation. The Corporation operates nine FM radio stations (WMIT, W292CJ, WFGW, W251BR, W282BP, W205CU, W267AD, W235CY, and W268DM) and three AM radio stations (WAVO, WSNW, and WSMX) exclusively for religious, educational, and charitable purposes.

The Corporation is affiliated with the Billy Graham Evangelistic Association (“BGEA”) as a listener-supported ministry.

*Basis of Presentation* – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Financial Accounting Standards Board (“FASB”) has established the Accounting Standards Codification (“ASC”) as the source of authoritative accounting principles to be applied in the preparation of financial statements in accordance with U.S. GAAP. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*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 Corporation. These net assets may be used at the discretion of the Corporation's management and the Board of Directors. The Corporation has chosen to provide further classification information about net assets without donor restrictions on the statements of financial position. The sub classifications are as follows:

*Invested in Property and Equipment and Intangible Assets* – Represents net assets invested in property and equipment, net of accumulated depreciation, and intangible assets.

*Board-Designated* – Represents resources set aside by the Board of Directors to be used for specific activities within guidelines established by the board.

*Undesignated* – Represents the cumulative net assets without donor restrictions excluding those net assets invested in property and equipment and intangible assets and designated for specific activities.

*Net Assets With Donor Restrictions* – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Corporation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. As of December 31, 2024 and 2023, there were no net assets with donor restrictions.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets with donor restrictions based on explicit donor stipulation or by law; or if no restriction exists, as net assets without donor restrictions. Expirations of temporary restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as released from net assets with donor restrictions to net assets without donor restrictions.

**BLUE RIDGE BROADCASTING CORPORATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**

DECEMBER 31, 2024 AND 2023

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**Note 1—Nature of operations and summary of significant accounting policies (continued)**

*Revenue Recognition* – Contributions are recognized when cash, securities, or other assets; an unconditional contribution receivable; or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Gifts of long-lived assets such as land, buildings, or equipment are reported as support without donor restrictions, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Rental income is recognized in the month the tower space is provided.

Program revenue consists of aired radio broadcasts and are recognized when earned based on when the broadcasts are aired.

*Cash and Cash Equivalents* – For the purposes of reporting cash flows, cash and cash equivalents consist of highly liquid, short-term investments with original maturities of three months or less when purchased.

*Contributions Receivable* – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue.

*Investments* – Investments are recorded at cost when purchased and at fair value on the date of donation if gifted. Thereafter, investments in equity securities with readily determinable fair values and all investments in debt securities are valued in the accompanying statements of financial position at fair value. Fair value is determined by reference to exchange or dealer-quoted market prices. If a quoted market price is not available, fair value is estimated using quoted market prices for similar investment securities. Changes in the fair value of securities are reflected in net investment return in the accompanying statements of activities.

*Property and Equipment* – Property and equipment is stated at cost for purchased items and estimated fair value at the date received for donated items. The Corporation capitalizes all expenditures for property and equipment in excess of \$2,000. Depreciation is computed using the straight-line method based on the following estimated useful lives:

Land improvements	10-15 years
Building and improvements	20 years
Furniture and equipment	3-15 years
Vehicles	5 years

**BLUE RIDGE BROADCASTING CORPORATION**  
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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

**Note 1—Nature of operations and summary of significant accounting policies (continued)**

*Intangible Assets* – The Corporation’s intangible assets consist of 12 indefinite-lived Federal Communications Commission broadcast licenses obtained through the purchase of multiple radio stations and are summarized as follows:

Intangible assets at January 1, 2023	\$ 2,030,000
Additions	-
Impairment charge	-
	<hr/>
Intangible assets at December 31, 2023	2,030,000
Additions	-
Impairment charge	-
	<hr/>
Intangible assets at December 31, 2024	<u><u>\$ 2,030,000</u></u>

These intangible assets are tested annually for impairment. When the carrying value exceeds the fair value based on changes in market conditions, an impairment charge is recorded within the accompanying statements of functional expenses.

*Contribution Payable* – The Corporation makes quarterly contributions to an unrelated non-profit radio station with a similar mission based on a percentage of donations the Corporation receives during their annual fundraising event. These contributions are recorded in the financial statements once donations from the fundraising event are received.

*Functional Allocation of Expenses* – Expenses that can be identified with a specific program or supporting service are charged directly to the program or supporting service. The financial statements report certain categories of expense that are attributable to one or more program or supporting function of the Corporation. These expenses include salary and benefits, travel costs and other expenses. Salary and benefits are allocated based on estimated use of time in each functional area. Travel costs are allocated based on the purpose of travel. Other items are allocated based on the impact to each functional area.

*Concentration of Credit Risk* – The Corporation places its cash and cash equivalents on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation covers \$250,000 for substantially all depository accounts. The Corporation from time to time may have amounts on deposit in excess of the insured limits.

*Use of Estimates* – The preparation of financial statements in conformity with U.S. 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

*Income Taxes* – The Corporation has been recognized by the Internal Revenue Service as an exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (“IRC”) and is exempt from federal income taxes pursuant to Section 501(a) of the IRC. Management believes the Corporation continues to satisfy the requirements of a tax-exempt organization and is not subject to tax. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements.

*Reclassifications* – Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation. Net assets and changes to net assets are unchanged due to these reclassifications.

**BLUE RIDGE BROADCASTING CORPORATION**  
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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

**Note 2—Liquidity and availability of resources**

The table below represents financial assets available for general expenditures within one year at December 31:

	<u>2024</u>	<u>2023</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 2,881,309	\$ 2,570,208
Contributions receivable	16,029	81,724
Other receivables	16,921	45,596
Investments	6,264,746	5,544,598
Investments, board-designated endowment	<u>1,566,187</u>	<u>1,386,149</u>
Total financial assets	10,745,192	9,628,275
Less amounts not available to be used for general expenditures within one year:		
Board-designated endowment	<u>1,566,187</u>	<u>1,386,149</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 9,179,005</u>	<u>\$ 8,242,126</u>

The Corporation structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Corporation considered general expenditures to include operating expenses, general and administrative expense, capital expenditures, and current commitments or liabilities to be paid in the subsequent year.

Investments include a board-designated endowment fund. Expenditures from the endowment fund are determined by the board in order to meet ministry needs. Although the Corporation does not intend to spend additional amounts from board-designated endowments beyond the expected appropriation, these amounts could be made available if necessary at the discretion of the board.

**Note 3—Investments**

Investments are as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Money market	\$ 933,297	\$ 892,279
Mutual funds	85,064	-
Fixed income	2,657,727	2,664,978
Equity securities	3,318,756	2,755,933
Exchange-traded products	<u>836,089</u>	<u>617,557</u>
	7,830,933	6,930,747
Less investments, board-designated endowment	<u>1,566,187</u>	<u>1,386,149</u>
	<u>\$ 6,264,746</u>	<u>\$ 5,544,598</u>

The Corporation's investments are exposed to various risks such as interest rates, market, liquidity, and credit risks. Due to the current and potential future volatility in the financial markets, it is possible that changes in the investment values and liquidity could occur in the near term and could materially affect the reported investment values in the accompanying statements of financial position.

**BLUE RIDGE BROADCASTING CORPORATION**  
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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

**Note 3—Investments (continued)**

Net investment return consisted of the following for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Interest and dividend income	\$ 263,926	\$ 147,367
Net realized and unrealized gains	733,020	988,076
Investment fees	(45,198)	(29,982)
Net investment return	<u>\$ 951,748</u>	<u>\$ 1,105,461</u>

**Note 4—Property and equipment, net**

A summary of property and equipment is as follows at December 31:

	<u>2024</u>	<u>2023</u>
Land and land improvements	\$ 87,073	\$ 70,746
Building and improvements	1,929,376	1,929,376
Equipment	3,980,706	3,962,897
Furniture and fixtures	285,358	285,358
Vehicles	372,805	295,596
	6,655,318	6,543,973
Less accumulated depreciation	5,175,539	4,974,008
Property and equipment, net	<u>\$ 1,479,779</u>	<u>\$ 1,569,965</u>

Depreciation expense for the years ended December 31, 2024 and 2023 was \$212,746 and \$195,506, respectively.

**Note 5—Fair value measurements of assets and liabilities**

In accordance with guidance on fair value measurements for financial instruments measured at fair value, fair value is defined as the price that the Corporation would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market, the most advantageous market for the investment or liability. The fair value guidance establishes a three-tier hierarchy to distinguish between 1) inputs that reflect the assumptions that market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs), and 2) inputs that reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. Various inputs are used in determining the fair value of the Corporation's financial instruments.

The inputs are summarized in the three broad levels listed below:

*Level 1* – Financial instruments with unadjusted, quoted prices listed on active market exchanges.

*Level 2* – Financial instruments valued using inputs that include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

*Level 3* – Financial instruments that are not actively traded on a market exchange and require using significant unobservable inputs in determining fair value.

**BLUE RIDGE BROADCASTING CORPORATION**  
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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

**Note 5—Fair value measurements of assets and liabilities (continued)**

The following table presents the fair value measurements of assets recognized in the accompanying statements of financial position that are measured at fair value on a recurring basis and the level within FASB ASC fair value hierarchy in which the fair value measurements fall at December 31, 2024 and 2023:

	<b>2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Money market	\$ 933,297	\$ -	\$ -	\$ 933,297
Mutual funds	85,064	-	-	85,064
Fixed income	2,657,727	-	-	2,657,727
Equity securities	3,318,756	-	-	3,318,756
Exchange-traded products	836,089	-	-	836,089
	<u>\$ 7,830,933</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,830,933</u>
	<b>2023</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Money market	\$ 892,279	\$ -	\$ -	\$ 892,279
Fixed income	2,664,978	-	-	2,664,978
Equity securities	2,755,933	-	-	2,755,933
Exchange-traded products	617,557	-	-	617,557
	<u>\$ 6,930,747</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,930,747</u>

**Note 6—Board-designated endowment**

In 2005, the Board of Directors designated \$1,000,000 of net assets without donor restriction as a general endowment fund to support future ministry opportunities. Since that amount resulted from an internal designation and is not donor restricted, it is classified and reported as net assets without donor restrictions.

The primary investment objective of the endowment fund is to preserve and protect the assets by focusing on conservation of principal and adequate liquidity to meet ministry needs. This objective is generally attained by investing in a portfolio of high-quality securities. Expenditures from the endowment fund are determined by the board in order to meet ministry needs.

To achieve the objective, the Corporation has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity. Actual returns in any given year may vary. Investment risk is measured in terms of the total endowment fund; investment assets, and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Composition of and changes in endowment net assets for the years ended December 31 were as follows:

Board-designated endowment net assets, December 31, 2022	\$ 1,144,861
Net investment return	241,288
Board-designated endowment net assets, December 31, 2023	<u>1,386,149</u>
Net investment return	180,038
Board-designated endowment net assets, December 31, 2024	<u>\$ 1,566,187</u>

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**Note 7—Rental income**

The Corporation leases tower space under various operating leases. Rent income related to the leases for the years ended December 31, 2024 and 2023 was \$15,410 and \$31,061, respectively. The following is a schedule of future minimum lessee payments under the existing noncancelable operating leases at:

**Years Ending December 31,**

2025	\$	15,510
2026		15,410
2027		1,576
2028		200
	<u>\$</u>	<u>32,696</u>

**Note 8—Joint costs**

During the years ended December 31, 2024 and 2023, the Corporation conducted broadcast production activities that included requests for contributions, as well as program and administrative components. The costs of conducting those activities included a total of \$2,723,074 and \$2,478,853 of joint costs for the years ended December 31, 2024 and 2023, respectively. These joint costs are not specifically attributable to particular components of the activities and were allocated on the accompanying statements of functional expenses as follows:

	<u>2024</u>	<u>2023</u>
Program expenses	\$ 1,962,164	\$ 1,785,455
Fundraising	403,348	366,954
General and administrative	357,562	326,444
Total allocated expenses	<u>\$ 2,723,074</u>	<u>\$ 2,478,853</u>

**Note 9—Employee benefit plan**

The Corporation sponsors a defined contribution plan, which is maintained by BGEA. The benefits are provided based on salary and hours worked for each year of service. Employer contributions are 3% of each participant's eligible salary plus a matching provision whereby the Corporation may match the participant's contributions up to an additional 3% of the participant's salary. The plan also includes a provision whereby BGEA's Board of Directors can approve additional contributions of up to 2%. The additional 2% discretionary contribution was approved for both 2024 and 2023. The total contributions for the years ended December 31, 2024 and 2023, were \$166,623 and \$145,891, respectively.

**Note 10—Related party transactions**

BGEA maintains the payroll functions and is reimbursed by the Corporation for the related payroll and benefit expenses. Total related payroll and benefit expense for the years ended December 31, 2024 and 2023 was approximately \$3,041,000 and \$2,682,000, respectively.



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**Note 10—Related party transactions (continued)**

To gain efficiencies over certain administrative services, the Corporation and BGEA entered into shared services agreements to provide a meaningful structure for regulating and overseeing the shared services and expenses. In accordance with the shared services agreements, the Corporation reimbursed BGEA approximately \$205,000 and \$263,000 in 2024 and 2023, respectively.

Total amounts due to BGEA at December 31, 2024 and 2023 were \$320,495 and \$121,355, respectively, and are reported in accounts payable and accrued expenses in the accompanying statements of financial position.

**Note 11—Subsequent events**

The Corporation evaluated the effect subsequent events would have on the financial statements through March 14, 2025, which is the date the financial statements were available to be issued.