

**RADIO BILINGÜE, INC.**  
**FRESNO, CALIFORNIA**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED  
SEPTEMBER 30, 2020 AND 2019**



**RADIO BILINGÜE, INC.**  
**FRESNO, CALIFORNIA**

**SEPTEMBER 30, 2020 AND 2019**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Radio Bilingüe, Inc.  
Fresno, California

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

We have audited the accompanying financial statements of Radio Bilingüe, Inc. (the Organization), which comprise the statements of financial position as of September 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Radio Bilingüe, Inc. as of September 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2021, on our consideration of Radio Bilingüe, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Radio Bilingüe, Inc.'s internal control over financial reporting and compliance.

*Price Pange & Company*

Clovis, California  
February 16, 2021

**RADIO BILINGÜE, INC.**  
**FRESNO, CALIFORNIA**

**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2020 AND 2019**

**Assets**

	<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents	\$ 1,821,411	\$ 800,900
Accounts Receivable	8,098	7,094
Prepaid Expenses	23,959	25,891
Other Assets	7,090	7,090
Grants Receivable (Note 3)	440,453	201,150
Property and Equipment, Net of Accumulated Depreciation (Notes 1 and 4)	<u>848,752</u>	<u>955,788</u>
 Total Assets	 <u>\$ 3,149,763</u>	 <u>\$ 1,997,913</u>

**Liabilities and Net Assets**

Liabilities

Accounts Payable	\$ 42,902	\$ 46,121
Accrued Expenses	70,049	56,425
Other Liabilities	4,936	2,579
Unearned Revenue (Notes 1 and 3)	<u>811,907</u>	<u>498,485</u>
 Total Liabilities	 <u>929,794</u>	 <u>603,610</u>

Net Assets

Without Donor Restrictions	<u>2,219,969</u>	<u>1,394,303</u>
 Total Net Assets	 <u>2,219,969</u>	 <u>1,394,303</u>
 Total Liabilities and Net Assets	 <u>\$ 3,149,763</u>	 <u>\$ 1,997,913</u>

The notes to the financial statements are an integral part of this statement.

**RADIO BILINGÜE, INC.**  
**FRESNO, CALIFORNIA**

**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	2020	2019
<u>Revenues</u>		
Contribution Revenue:		
Individual	\$ 17,042	\$ 19,025
Foundation	459,136	347,709
In-Kind	322,626	318,577
Grant Revenue:		
Foundation	858,819	996,396
CPB	229,056	216,540
Government	218,401	-
Business and Community Based Organizations	16,497	-
Production Revenue	1,204,781	304,846
Fundraising	2,241	31,322
Other Revenue	5,144	5,315
	3,333,743	2,239,730
 <u>Expenditures</u>		
Program Services:		
Programming and Production	1,096,860	1,108,043
Broadcast	811,160	806,385
Fundraising:		
Grants and Underwriting	302,500	290,903
Management and General:		
Grants Administration	71,498	67,133
Management and General	226,059	201,601
	2,508,077	2,474,065
 Changes in Net Assets	825,666	(234,335)
Net Assets, Beginning of Year	1,394,303	1,628,638
Net Assets, End of Year	\$ 2,219,969	\$ 1,394,303

The notes to the financial statements are an integral part of this statement.



**RADIO BILINGÜE, INC.**  
**FRESNO, CALIFORNIA**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Program Services</u>		<u>Fundraising</u>	<u>Management and General</u>		<u>Totals</u>
	<u>Programming</u>	<u>Broadcast</u>	<u>Grants</u>	<u>Grants</u>	<u>Management</u>	
	<u>and</u>		<u>and</u>		<u>and</u>	
	<u>Production</u>		<u>Underwriting</u>	<u>Administration</u>	<u>General</u>	
<u>Operating Expenses</u>						
Salaries and Fringe Benefits	\$ 603,529	\$ 77,840	\$ 170,024	\$ 63,467	\$ 174,664	\$ 1,089,524
Professional Fees	126,706	16,054	97,640	-	13,500	253,900
Consumable Supplies	5,236	136	289	94	1,128	6,883
Telephone	39,751	16,689	11,899	2,916	11,579	82,834
Postage and Shipping	1,177	2,133	31	-	3,094	6,435
Rent	30,287	139,177	-	-	1,797	171,261
Buildings and Grounds	6,952	371	783	223	740	9,069
Utilities	9,887	81,053	3,275	893	2,891	97,999
Insurance	19,449	2,535	6,020	1,584	9,731	39,319
Equipment Rental and Maintenance	7,532	10,333	533	156	989	19,543
Depreciation	11,236	180,816	-	-	-	192,052
Printing and Publications	46	-	181	-	-	227
Conferences and Meetings	-	-	765	-	400	1,165
Travel	2,082	12,015	-	-	844	14,941
Production Expenses:						
Production Supplies	63	-	-	-	-	63
Satellite	-	21,830	-	-	-	21,830
Acquisitions and Distributions	78,411	-	5	-	-	78,416
Advertising	352	-	375	-	25	752
Membership and Dues	3,475	-	7,306	-	-	10,781
Interest and Miscellaneous	24,747	1,772	2,982	11	4,677	34,189
Equipment	44,116	7,606	392	2,154	-	54,268
Subtotal	<u>1,015,034</u>	<u>570,360</u>	<u>302,500</u>	<u>71,498</u>	<u>226,059</u>	<u>2,185,451</u>
<u>In-Kind Expenses</u>						
Volunteer Services	74,698	-	-	-	-	74,698
All Other Services	-	240,800	-	-	-	240,800
Property/Space	<u>7,128</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,128</u>
Subtotal	<u>81,826</u>	<u>240,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,626</u>
Total Expenses	<u>\$ 1,096,860</u>	<u>\$ 811,160</u>	<u>\$ 302,500</u>	<u>\$ 71,498</u>	<u>\$ 226,059</u>	<u>\$ 2,508,077</u>

The notes to the financial statements are an integral part of this statement.

**RADIO BILINGÜE, INC.**  
**FRESNO, CALIFORNIA**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Program Services		Fundraising	Management and General		Totals
	Programming and Production	Broadcast	Grants and Underwriting	Grants Administration	Management and General	
<b><u>Operating Expenses</u></b>						
Salaries and Fringe Benefits	\$ 562,277	\$ 74,836	\$ 158,469	\$ 59,676	\$ 148,057	\$ 1,003,315
Professional Fees	194,408	16,259	93,899	-	13,500	318,066
Consumable Supplies	3,045	17	148	-	1,621	4,831
Telephone	49,115	21,859	12,916	4,445	13,373	101,708
Postage and Shipping	3,049	1,026	-	-	2,831	6,906
Rent	30,437	132,719	-	-	1,709	164,865
Buildings and Grounds	6,611	2,410	573	202	606	10,402
Utilities	11,449	77,129	2,773	1,079	2,784	95,214
Insurance	20,222	2,395	4,491	1,560	9,506	38,174
Equipment Rental and Maintenance	2,837	12,899	295	102	792	16,925
Depreciation	9,850	179,741	-	-	-	189,591
Printing and Publications	576	-	140	-	-	716
Conferences and Meetings	-	-	1,302	-	150	1,452
Travel	11,587	28,244	11,103	58	1,103	52,095
Production Expenses:						
Production Supplies	314	-	15	-	-	329
Satellite	-	15,375	-	-	-	15,375
Acquisitions and Distributions	60,120	-	-	-	-	60,120
Advertising	6,152	-	-	-	-	6,152
Membership and Dues	10,765	-	-	-	-	10,765
Interest and Miscellaneous	24,849	42	2,769	11	4,405	32,076
Equipment	9,858	13,379	2,010	-	1,164	26,411
Subtotal	<u>1,017,521</u>	<u>578,330</u>	<u>290,903</u>	<u>67,133</u>	<u>201,601</u>	<u>2,155,488</u>
<b><u>In-Kind Expenses</u></b>						
Volunteer Services	85,176	-	-	-	-	85,176
All Other Services	-	228,055	-	-	-	228,055
Property/Space	5,346	-	-	-	-	5,346
Subtotal	<u>90,522</u>	<u>228,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>318,577</u>
Total Expenses	<u>\$ 1,108,043</u>	<u>\$ 806,385</u>	<u>\$ 290,903</u>	<u>\$ 67,133</u>	<u>\$ 201,601</u>	<u>\$ 2,474,065</u>

The notes to the financial statements are an integral part of this statement.

**RADIO BILINGÜE, INC.**  
**FRESNO, CALIFORNIA**

**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	2020	2019
Cash Flows from Operating Activities:		
Changes in Net Assets	\$ 825,666	\$ (234,335)
Adjustments to Reconcile Net Assets to Net		
Cash Provided by (Used in) Operating Activities:		
Depreciation Expense	192,052	189,591
(Increase) Decrease in Grant Receivable	(239,303)	175,228
(Increase) Decrease in Accounts Receivable	(1,004)	1,354
(Increase) Decrease in Prepaid Expenses	1,932	4,037
(Increase) Decrease in Other Assets	-	650
Increase (Decrease) in Accounts Payable	(3,219)	1,585
Increase (Decrease) in Other Liabilities	2,357	(661)
Increase (Decrease) in Accrued Liabilities	13,624	(593)
Increase (Decrease) in Unearned Revenue	313,422	(140,997)
Net Cash Provided by (Used in) Operating Activities	1,105,527	(4,141)
Cash Flows from Investing Activities:		
Purchase of Fixed Assets	(85,016)	(15,073)
Net Cash Provided by (Used in) Investing Activities	(85,016)	(15,073)
Increase (Decrease) in Cash	1,020,511	(19,214)
Cash and Equivalents, Beginning of Year	800,900	820,114
Cash and Equivalents, End of Year	\$ 1,821,411	\$ 800,900

The notes to the financial statements are an integral part of this statement.

**RADIO BILINGÜE, INC.**  
Fresno, California

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Radio Bilingüe, Inc. (the Organization), is a nonprofit California public media corporation which operates noncommercial FM public radio stations: KSJV in Fresno, CA; KMPO in Modesto, CA; KTQX in Bakersfield, CA; KHDC in Salinas, CA; KUBO in El Centro, CA; KVVH in Laytonville, CA; KREE in Douglas, AZ; KVMG in Raton, NM; KYOL in Chama, NM; KQTO in Hurley, NM; KHUI in Alamosa, CO; KRZU in Batesville, TX; KHEM in Zapata, TX; and KRBP in Presidio, TX.. It also operates noncommercial FM public radio station translators: K233AV in Paso Robles, CA; K246BO in Paso Robles, CA; K281BR in Hollister, CA; K225BQ in Santa Margarita, CA; K258CK in Barstow, CA; K264BQ in Palmdale, CA; K254CA in Guadalupe, CA; K266BX in Cactus City, CA; K229CN in Tassajara, CA; and K224EV in Ligurta, AZ. It produces a national news and information service and satellite programming service serving the nation's public broadcasting system.

**Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

**New Accounting Pronouncement**

The Organization elected to early adopt the provisions of FASB Accounting Standards Update 2018-08, Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made for the year ended September 30, 2019. The provisions of this pronouncement help resolve long-standing diversity in practice in the accounting for grants and similar arrangements. The amendments of this provision better clarified the accounting treatment for exchange and non-exchange transactions and also addressed the classification of certain grants.

**Classification of Net Assets**

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which requires the Organization to report information regarding its financial position and activities according to the following net asset 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. These net assets may be used at the discretion of the Organization's management and Board of Directors.

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 Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**Cash and Equivalents**

Cash and equivalents consist of cash held in local banks.

**Concentration of Credit Risk**

Radio Bilingüe, Inc. maintains a bank account at Wells Fargo Bank. The account at this bank is insured by the Federal Deposit Insurance Corporation (FDIC). The uninsured portion of this balance was \$1,580,588 and \$557,544 as of September 30, 2020 and 2019, respectively.

**RADIO BILINGÜE, INC.**  
Fresno, California

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Revenue**

Radio Bilingüe, Inc. receives substantially all of its grant and contract revenue from Foundations, Corporation for Public Broadcasting, State, and other governmental agencies. Radio Bilingüe, Inc. recognizes contract revenue (up to the contract ceiling) from its contracts, either on a cost reimbursement basis or on a production basis depending on how performance is defined by the respective contracts. Revenue recognition depends on the contract.

Contract revenue that has not yet been expended for the purpose of the grant/contract is recorded as unearned revenue.

Any of the funding sources may, at its discretion, request reimbursement for expenses or return of funds, or both, as a result of noncompliance by Radio Bilingüe, Inc. with the terms of the grants/contracts.

**Contributions**

Contributions received are recorded depending on the existence and/or nature of any donor restrictions. Radio Bilingüe, Inc. has not received any contributions with donor-imposed restrictions for the years ended September 30, 2020 and September 30, 2019. Contributions for property, space and professional services are recorded at their fair market value of \$322,626 and \$318,577 for the years ended September 30, 2020 and 2019, respectively.

**Property and Equipment**

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of receipt. Depreciation is computed using the straight-line method. Repairs and maintenance are charged to operating expenses as incurred. Individual items with the cost of \$3,000 or greater are capitalized.

**Advertising Costs**

Advertising costs are expensed as incurred. Advertising costs were \$752 and \$6,152 for the years ended September 30, 2020 and 2019, respectively.

**Retirement Plan**

The Organization sponsors a 403(b) retirement plan (the "Plan") covering substantially all employees who meet certain eligibility requirements. Employees may elect to have a portion of their salary deferred and contributed to the Plan. The Organization elects to make contributions to the Plan. Discretionary contributions are allocated based on compensation. All contributions to the Plan are 100% vested. The Organization made a contribution of \$16,177 and \$674 for the years ended September 30, 2020 and 2019.

**RADIO BILINGÜE, INC.**  
Fresno, California

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income Taxes**

Radio Bilingüe, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and, therefore, has made no provision for federal income taxes in the accompanying financial statements. In addition, Radio Bilingüe, Inc. has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the years ended September 30, 2020 and 2019.

Generally accepted accounting principles provides accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax position and believes that all positions taken in its federal and state exempt information returns are more likely than not to be sustained upon examination. The Organization files exempt organization information returns in the U.S. Federal and California state jurisdictions. The Organization’s returns are subject to examination by federal and state taxing authorities, generally for three years, respectively, after they are filed.

**Use of Estimates**

The preparation of financial statements in conformity 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 the reported amounts and expenses during the reporting period. Actual results could differ from those estimates.

**Functional Allocation of Expenses**

The costs of providing the Organization’s various charitable and general services have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, direct and indirect expenses have been allocated to program services or other activities based on their specific identification or the personnel resources utilized in the function. Supporting services consist principally of general, administrative and management costs and fundraising activities not directly allocable to program services.

The expenses that are allocated include the following:

<u>Expenses</u>	<u>Method of Allocation</u>
Salaries and Fringe Benefits	Time & Effort
Telephone	Time & Effort
Buildings and Grounds	Time & Effort
Utilities	Time & Effort
Insurance	Time & Effort
Equipment Rental and Maintenance	Time & Effort

**Reclassifications**

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications had no impact on previously reported net assets at September 30, 2019.

**RADIO BILINGÜE, INC.**  
**Fresno, California**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE 2 – AVAILABILITY AND LIQUIDITY**

The following represents Radio Bilingüe, Inc.'s financial assets at September 30:

	<u>2020</u>	<u>2019</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 1,821,411	\$ 800,900
Grants and accounts receivable	<u>448,551</u>	<u>447,547</u>
Total financial assets	<u>2,269,962</u>	<u>1,248,447</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,269,962</u>	<u>\$ 1,248,447</u>

As part of the Organization's liquidity management plan, cash in excess of daily requirements are maintained in cash and cash equivalent accounts for immediate access should those funds be needed. Funds in excess of daily cash requirements may be used to meet unexpected liquidity needs.

**NOTE 3 – GRANTS RECEIVABLE/UNEARNED REVENUE**

At September 30, 2020 and 2019, net accounts receivable and unearned revenue from grants and contracts were comprised of the following:

<u>Source</u>	<u>2020</u>		<u>2019</u>	
	<u>Receivable</u>	<u>Unearned</u>	<u>Receivable</u>	<u>Unearned</u>
<u>Federal Government</u>				
Futures without Violence/US Dept of Justice	\$ -	\$ -	\$ 8,750	\$ -
Subtotal	<u>-</u>	<u>-</u>	<u>8,750</u>	<u>-</u>
<u>State Government</u>				
Agricultural Labor Relations Board	17,050	-	-	-
MOB Media DIR Heat Illness	<u>11,283</u>	<u>-</u>	<u>21,000</u>	<u>-</u>
Subtotal	<u>28,333</u>	<u>-</u>	<u>21,000</u>	<u>-</u>
<u>Local Government</u>				
Tulare County - Mental Health Services Act	1,645	-	3,000	-
County of Kern	3,990	-	-	-
Imperial Co. Behavioral Health Services	<u>6,000</u>	<u>-</u>	<u>6,500</u>	<u>-</u>
Subtotal	<u>11,635</u>	<u>-</u>	<u>9,500</u>	<u>-</u>

See Independent Auditor's Report

**RADIO BILINGÜE, INC.**  
Fresno, California

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE 3 – GRANTS RECEIVABLE/UNEARNED REVENUE (Continued)**

<u>Source</u> (Continued)	2020		2019	
	Receivable	Unearned	Receivable	Unearned
<u>Foundations</u>				
The James Irvine Foundation	\$ -	\$ 201,104	\$ -	\$ 220,372
Packard Foundation	-	18,810	-	72,384
Lemala Fund	-	99,700	-	-
Hellman Family Fund	-	-	50,000	-
La Cooperativa Campesina AM	11,425	-	7,500	-
La Cooperativa Campesina PM	2,500	-	-	-
Center for Community Advocacy	2,800	-	1,400	-
Marquerite Casey Foundation - Equal Voice for Network Weaver	-	32,353	-	28,454
The California Endowment	-	302,000	-	120,125
The San Francisco Foundation	100,000	-	50,000	-
The Sierra Health Foundation	54,723	70,397	-	32,500
Haas Jr	-	42,000	50,000	-
Western Center for Agricultural Health & Safety	-	-	-	10,000
Community Foundation for Monterey Co	25,000	-	-	8,550
Newmans Own Foundation	-	15,053	-	-
California State University, Fresno Foundation	25,000	-	-	-
CDC Foundation	48,127	-	-	-
United Way	5,000	-	-	-
First5 CA	43,455	-	-	-
Subtotal	<u>318,030</u>	<u>781,417</u>	<u>158,900</u>	<u>492,385</u>
<u>Business and Community Based Organizations</u>				
Pacific Gas & Electric	4,950	2,140	-	6,100
Mercury Public Affairs	44,830	23,548	-	-
The Ground Truth Project	-	4,102	-	-
Youth Alliance	-	700	-	-
Mixteco/Ingigena Community Organizing Project	15,000	-	-	-
Empower Vote Census: Mixteco Vignette	2,600	-	-	-
Impact Fund-Center for Health Journalism	3,000	-	-	-
PICO California	4,600	-	-	-
Center for Community Advocacy	7,000	-	-	-
JP Marketing	475	-	-	-
Valley CAN - Porterville	-	-	1,000	-
Valley CAN - Lemoore	-	-	1,000	-
Valley CAN - Tulare	-	-	1,000	-
Subtotal	<u>82,455</u>	<u>30,490</u>	<u>3,000</u>	<u>6,100</u>
Total	<u>\$ 440,453</u>	<u>\$ 811,907</u>	<u>\$ 201,150</u>	<u>\$ 498,485</u>

See Independent Auditor's Report



**RADIO BILINGÜE, INC.**  
Fresno, California

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE 4 – PROPERTY AND EQUIPMENT**

	Beginning Balances 10/1/2019	Additions	Deletions	Ending Balances 9/30/2020
Land	\$ 88,033	\$ -	\$ -	\$ 88,033
Building and Improvements	279,258	-	-	279,258
Broadcasting Equipment	3,220,027	86,866	-	3,306,893
Furniture and Equipment	26,390	-	-	26,390
Construction in Progress	<u>7,126</u>	<u>85,016</u>	<u>(86,866)</u>	<u>5,276</u>
Total	<u>3,620,834</u>	<u>171,882</u>	<u>(86,866)</u>	<u>3,705,850</u>
Accumulated Depreciation	<u>(2,665,046)</u>	<u>(192,052)</u>	<u>-</u>	<u>(2,857,098)</u>
Property and Equipment, Net	<u>\$ 955,788</u>	<u>\$ (20,170)</u>	<u>\$ (86,866)</u>	<u>\$ 848,752</u>

Depreciation expense for the years ended September 30, 2020 and 2019 was \$192,052 and \$189,591, respectively.

**NOTE 5 – LINE OF CREDIT**

In July 2014, Radio Bilingüe, Inc. entered into an agreement with a Private Foundation for access to a revolving line of credit. The balance on the account shall not at any time exceed the greater of: (a) \$300,000 or (b) the amount supported by the current Grant Receivables, as determined by the Foundation in its sole discretion. Radio Bilingüe's right to withdraw funds from the account is subject to the satisfaction of various conditions, unless waived in writing by the Foundation in its sole and absolute discretion. A "Request for Withdrawal and Draw Package" must be completed including copies of current Grant Receivables which support the withdrawal and the proceeds of which shall be the source of repayment of such withdrawal. Radio Bilingüe shall replenish to the account funds received from proceeds from Grant Receivables from the various sources of such grants within ten days. There was no outstanding balance at September 30, 2020. The credit line is for operational purposes.

**NOTE 6 – CONTINGENCIES**

Continued program funding is contingent upon the availability of funds from federal, state, and local funding sources and project performance. Periodic audits may be performed by granting agencies and certain costs may be questioned as not being reimbursable under the terms of the contract. Such audits could lead to reimbursement to the granting agency. Until such audits have been completed, there exists a contingency to refund any amount received in excess of allowable costs.

**RADIO BILINGÜE, INC.**  
Fresno, California

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

**NOTE 7 – UNCERTAINTY**

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic, and on March 13, 2020, the President of the United States declared the COVID-19 outbreak in the United States of America a national emergency. Further, on March 19, 2020, the governor of the State of California issued a statewide Stay at Home Order to slow the spread of COVID-19. The Order required all individuals living in California to stay at home, except as needed to maintain continuity of the federal critical infrastructure sectors. Radio Bilingüe was categorized as critical infrastructure as a news and information service and continued its operations with adaptations. Most of Radio Bilingüe's audience was also classified as essential workers. The ultimate financial impact on the Organization that could occur as a result of the pandemic is unknown at this time.

**NOTE 8 – SUBSEQUENT EVENTS**

During the year ended September 30, 2020, the Organization applied for and received a loan from the Small Business Association Paycheck Protection Program in the amount of \$188,451. On December 17, 2020, the Organization received confirmation of forgiveness of the full amount of the loan. The loan was recorded as a conditional contribution for the year ended September 30, 2020 and is included in Government Grant revenue on the Statement of Activities.

Management has evaluated and concluded that there are no additional subsequent events that have occurred from September 30, 2020, through the date the financial statements were available to be issued on February 16, 2021, that would require disclosure or adjustment.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors  
Radio Bilingüe, Inc.  
Fresno, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Radio Bilingüe, Inc. (the Organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 16, 2021.

#### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Radio Bilingüe, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Radio Bilingüe, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Price Pange & Company*

Clovis, California  
February 16, 2021