

ATLANTA INTERFAITH BROADCASTERS, INC.
(a nonprofit organization)

FINANCIAL STATEMENTS

DECEMBER 31, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Atlanta Interfaith Broadcasters, Inc.
Atlanta, Georgia

Opinion

We have audited the accompanying financial statements of Atlanta Interfaith Broadcasters, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year 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 Atlanta Interfaith Broadcasters, Inc. as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Atlanta Interfaith Broadcasters, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Atlanta Interfaith Broadcasters, Inc.'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, including omissions, 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 Atlanta Interfaith Broadcasters, Inc.'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 Atlanta Interfaith Broadcasters, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Atlanta Interfaith Broadcasters, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 14, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.


CERTIFIED PUBLIC ACCOUNTANTS

March 5, 2025
Duluth, Georgia

ATLANTA INTERFAITH BROADCASTERS, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

ASSETS

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 612,129	\$ 517,317
Accounts receivable, net of allowance for doubtful accounts of \$0 at December 31, 2024 and 2023, respectively	60,417	19,057
Property and equipment, net	3,478,356	3,656,761
Other assets	<u>21,169</u>	<u>33,195</u>
 TOTAL ASSETS	 <u>\$ 4,172,071</u>	 <u>\$ 4,226,330</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 29,485	\$ 100,657
Deferred compensation payable	<u>5,932</u>	<u>19,354</u>
 Total Liabilities	 35,417	 120,011

NET ASSETS

Without donor restrictions	4,136,654	4,106,319
With donor restrictions	<u>-</u>	<u>-</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 4,172,071</u>	 <u>\$ 4,226,330</u>

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

ATLANTA INTERFAITH BROADCASTERS, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	Without Donor Restrictions	With Donor Restrictions	Totals	
			<u>2024</u>	<u>2023</u>
Revenue and Support:				
Donations and grants	\$ 8,331	\$ -	\$ 8,331	\$ 4,140
Cable time charges	261,338	-	261,338	288,796
Video production	16,849	-	16,849	52,416
Miscellaneous income	13,830	-	13,830	109,899
	<u>300,348</u>	<u>-</u>	<u>300,348</u>	<u>455,251</u>
Other revenue and support:				
Rent	1,551,293	-	1,551,293	1,551,293
Gain on sale of asset	15,000	-	15,000	-
Interest income	28	-	28	25
	<u>1,566,321</u>	<u>-</u>	<u>1,566,321</u>	<u>1,551,318</u>
Total support and revenue	<u>1,866,669</u>	<u>-</u>	<u>1,866,669</u>	<u>2,006,569</u>
Expenses:				
Program services	1,397,226	-	1,397,226	1,474,859
Management and general	439,108	-	439,108	424,033
Fundraising	-	-	-	-
Total expenses	<u>1,836,334</u>	<u>-</u>	<u>1,836,334</u>	<u>1,898,892</u>
Change in net assets	30,335	-	30,335	107,677
Net assets:				
Beginning of year	<u>4,106,319</u>	<u>-</u>	<u>4,106,319</u>	<u>3,998,642</u>
End of year	<u>\$ 4,136,654</u>	<u>\$ -</u>	<u>\$ 4,136,654</u>	<u>\$ 4,106,319</u>

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

ATLANTA INTERFAITH BROADCASTERS, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Totals</u>	
				<u>2024</u>	<u>2023</u>
Salaries and benefits:					
Salaries	\$ 597,584	\$ 149,396	\$ -	\$ 746,980	\$ 802,224
Employee benefits	29,387	7,347	-	36,734	34,752
Deferred compensation	4,746	1,186	-	5,932	19,354
Payroll taxes	<u>45,642</u>	<u>11,410</u>	<u>-</u>	<u>57,052</u>	<u>59,214</u>
Total salaries and benefits	<u>677,359</u>	<u>169,339</u>	<u>-</u>	<u>846,698</u>	<u>915,544</u>
Other expenses:					
Office expense	10,048	5,410	-	15,458	8,426
Utilities	41,736	10,434	-	52,170	57,538
Postage	570	571	-	1,141	999
Repairs and maintenance	41,926	27,950	-	69,876	78,939
Insurance	67,802	67,803	-	135,605	131,113
Video production	8,277	-	-	8,277	6,321
Professional fees	-	18,500	-	18,500	14,900
Independent contractor	131,281	43,761	-	175,042	152,238
Operating leases	1,030	258	-	1,288	1,492
Travel and meetings	21,410	5,352	-	26,762	12,217
Interest	-	-	-	-	3,684
Content sourcing	12,025	-	-	12,025	32,090
Internet expense	34,583	-	-	34,583	36,896
Maintenance contracts	29,218	9,740	-	38,958	49,629
Miscellaneous	<u>43,197</u>	<u>10,799</u>	<u>-</u>	<u>53,996</u>	<u>61,450</u>
Total other expenses	<u>443,103</u>	<u>200,578</u>	<u>-</u>	<u>643,681</u>	<u>647,932</u>
Total expenses before depreciation	1,120,462	369,917	-	1,490,379	1,563,476
Depreciation	<u>276,764</u>	<u>69,191</u>	<u>-</u>	<u>345,955</u>	<u>335,416</u>
Total expenses	<u>\$ 1,397,226</u>	<u>\$ 439,108</u>	<u>\$ -</u>	<u>\$ 1,836,334</u>	<u>\$ 1,898,892</u>

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

ATLANTA INTERFAITH BROADCASTERS, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 30,335	\$ 107,677
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	345,955	335,416
Gain on sale of asset	(15,000)	-
(Increase) decrease in accounts receivable	(41,360)	12,933
Decrease in deferred compensation receivable	-	2,500
Decrease (increase) in other assets	12,026	(21,846)
(Decrease) increase in accounts payable and accrued expenses	(71,172)	33,307
(Decrease) increase in deferred compensation payable	<u>(13,422)</u>	<u>19,354</u>
Net cash provided by operating activities	<u>247,362</u>	<u>489,341</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(167,550)	(186,941)
Sale of property and equipment	<u>15,000</u>	<u>-</u>
Net cash used by investing activities	<u>(152,550)</u>	<u>(186,941)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on notes payable	<u>-</u>	<u>(192,480)</u>
Net cash used by financing activities	<u>-</u>	<u>(192,480)</u>
Net change in cash and cash equivalents	94,812	109,920
Cash and cash equivalents, beginning of year	<u>517,317</u>	<u>407,397</u>
Cash and cash equivalents, end of year	<u><u>\$ 612,129</u></u>	<u><u>\$ 517,317</u></u>

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

ATLANTA INTERFAITH BROADCASTERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Atlanta Interfaith Broadcasters, Inc. (AIB) was formed in 1969 to facilitate access to radio and television stations for the Atlanta interfaith community. Since 1981, AIB has been programming a channel on local cable television twenty-four hours a day for the purpose of providing local interfaith religious and educational programs for viewers in the Metropolitan Atlanta area. AIB also offers on-demand and streaming content globally on various platforms. AIB is licensed with the Federal Communications Commission (FCC) to operate four channels at 100 watts of power; however they are presently equipped to operate two channels at 100 watts of power and two channels at 10 watts. This license is periodically renewable by qualified applicants under rules of the FCC.

Basis of Accounting

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

Basis of Presentation

Revenue is recognized when earned or when unconditional promises to give occur. Expenses are recognized when incurred. All expenses are reported as reductions to net assets without donor restrictions. Gains or losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donor stipulation or law. AIB reports contributed services as an increase in net assets without donor restrictions.

Contributions

All contributions are recorded as net assets without donor restrictions, unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions that increase that net asset class. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. There are no net assets with donor restrictions as of December 31, 2024 and 2023.

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ATLANTA INTERFAITH BROADCASTERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Property and equipment

Property and equipment is recorded at cost or, for donated assets, the fair market value at the date of donation. Depreciation is computed on a straight-line basis over the assets' useful lives as follows.

Office Building	20 years
Studio	40 years
Broadcasting/production equipment	5-10 years
Vehicles	5 years
Office equipment	5-10 years

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

AIB is exempt from federal income taxes 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. There was no unrelated business income for 2024 or 2023. AIB believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

AIB's federal Returns of Organization Exempt from Income Tax (Form 990) for 2021, 2022 and 2023 are subject to examination by the IRS, generally for three years after they were filed.

Cash Flows

For the purposes of the statement of cash flows, cash is defined as cash in banks and investments with an original maturity of three months or less when purchased.

Membership Dues

AIB charges annual membership dues. Membership status entitles the entity to receive lower air time rates for its programs on AIB's cable TV network. Membership qualifications include: recognition by the IRS as a bona fide church, synagogue, temple or mosque and adherence to AIB's guidelines for programming. Single entity memberships are \$100 per year.

ATLANTA INTERFAITH BROADCASTERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

NOTE 2 – LIQUIDITY AND AVAILABILITY OF RESOURCES

AIB plans to maintain an adequate level of unrestricted net assets to support the organization's day-to-day operations in the event of unforeseen shortfalls. AIB's policy is to maintain a two-month reserve of necessary operating expenses (approximately \$306,000). AIB's liquid assets consist of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$612,129	\$517,317
Accounts receivable due within one year	<u>60,714</u>	<u>19,057</u>
	<u>\$672,546</u>	<u>\$536,374</u>

NOTE 3 – SUPPLEMENTAL CASH FLOW INFORMATION

Interest paid during 2024 and 2023 was \$0 and \$3,684, respectively.

NOTE 4 – ACCOUNTS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES

As programs are aired, an account receivable is recorded and revenue is recorded as earned. The balance of accounts receivable was \$60,417 and \$19,057 as of December 31, 2024 and 2023, respectively. At each balance sheet date, the Organization recognizes an expected allowance for credit losses. In addition, also at each balance sheet date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. The allowance is based on experience, third-party contracts, and other circumstances which may affect the ability of customers to meet their obligations. This estimate is adjusted to management's assessment of current conditions, reasonable and supportable forecasts regarding future events and any other factors deemed relevant by the Organization.

The Organization believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Organization's customers have remained steady in recent years.

Receivables are considered impaired if full payment is not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivables will not be collected. The allowance for doubtful accounts was \$0 as of December 31, 2024 and 2023.

ATLANTA INTERFAITH BROADCASTERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

NOTE 5– PROPERTY AND EQUIPMENT

The components of property and equipment at December 31, 2024 and 2023 are as follows.

	<u>2024</u>	<u>2023</u>
Office Building	\$3,961,531	\$3,872,827
Studio	696,525	696,525
Broadcasting equipment	1,984,817	1,968,173
Vehicles	65,585	39,574
Office equipment	<u>193,643</u>	<u>191,923</u>
	6,902,101	6,779,900
Less accumulated depreciation	<u>3,423,745</u>	<u>3,123,139</u>
	<u>\$3,478,356</u>	<u>\$3,656,761</u>

NOTE 6 – RENTAL INCOME

In 2007, AIB entered into an excess capacity lease of channels authorized by its FCC license. The lease is for thirty years and will automatically renew unless the lessor declines. Current monthly rent under the lease is \$129,274. The rent increases every five years until termination. Rental income under the lease was \$1,551,293 for 2024 and 2023.

NOTE 7 – RETIREMENT PLAN

AIB offers a 403(b) thrift plan for its employees. Participants may make contributions to the plan through payroll deductions and AIB matches the contributions up to 6% of compensation. The total amount contributed to the plan by AIB was \$36,734 and \$34,752 during 2024 and 2023, respectively.

AIB offers a deferred compensation plan to certain officers and employees as defined by the plan document. The contribution is determined based upon the provisions of the plan document and, as the plan is discretionary, certain provisions may be modified by a board of directors resolution. The contribution to the plan for 2024 and 2023 was \$5,932 and \$19,854, respectively.

ATLANTA INTERFAITH BROADCASTERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

NOTE 8 – CONCENTRATIONS

AIB provides cable television programming for the Atlanta, Georgia, metropolitan area.

NOTE 9 – COMPENSATED ABSENCES

Compensated absences for sick pay and personal time have not been accrued since they cannot be reasonably estimated. AIB's policy is to recognize these costs when actually paid.

NOTE 10 – FUNCTIONAL EXPENSE ALLOCATION

Most expenses are directly allocated to the three functions, Program Services, Management and General and Fundraising depending on the purpose of the expense. Expenses such as utilities, insurance and occupancy expenses are allocated to each function based upon the square footage of the building.

NOTE 11 – PRIOR YEAR INFORMATION

The statements of activities and functional expenses include certain prior year summarized comparative information in total but not by net asset/program. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2023, from which the summarized information was derived.

NOTE 12 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 5, 2025, the date which the financial statements were available to be issued.