

GREAT PLAINS CHRISTIAN RADIO, INC.  
Meade, Kansas

FINANCIAL STATEMENTS  
December 31, 2018 and 2017

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Great Plains Christian Radio, Inc.  
Meade, Kansas

We have audited the accompanying financial statements of Great Plains Christian Radio, Inc., which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities and changes in net assets 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 entity'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 entity'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.

To the Board of Directors  
Great Plains Christian Radio, Inc.  
Meade, Kansas

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Great Plains Christian Radio, Inc. as of December 31, 2018 and 2017, 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.

*Hay•Rice & Associates, Chartered*

Hay•Rice & Associates, Chartered

June 18, 2019

GREAT PLAINS CHRISTIAN RADIO, INC.  
Meade, Kansas

STATEMENTS OF FINANCIAL POSITION  
December 31, 2018 and 2017

	2018			2017
	<u>Without</u>	<u>With</u>		
	<u>Donor</u>	<u>Donor</u>		
	<u>Restriction</u>	<u>Restriction</u>	<u>Total</u>	<u>Total</u>
<b>ASSETS</b>				
<u>Current Assets</u>				
Cash	\$ 933,370	-	\$ 933,370	\$1,056,287
Prepaid expenses	9,723	-	9,723	11,822
Receivable	652	-	652	17
Inventory	4,306	-	4,306	1,693
Total current assets	<u>\$ 948,051</u>	<u>-</u>	<u>\$ 948,051</u>	<u>\$1,069,819</u>
<u>Property and Equipment</u>				
Land	\$ 42,271	-	\$ 42,271	\$ 44,521
Construction in progress	-	-	-	-
Buildings	654,911	-	654,911	636,570
Tower, antenna, translator and transmitting equipment	2,066,260	-	2,066,260	2,043,411
Studio equipment	450,055	-	450,055	436,120
Furniture and fixtures	127,050	-	127,050	136,199
Vehicles	131,519	-	131,519	122,379
Net property and equipment	\$3,472,066	-	\$3,472,066	\$3,419,200
<u>Less – Accumulated depreciation</u>	<u>2,158,040</u>	<u>-</u>	<u>2,158,040</u>	<u>2,085,068</u>
Total property and equipment	<u>\$1,314,026</u>	<u>-</u>	<u>\$1,314,026</u>	<u>\$1,334,132</u>
<u>Other Assets</u>				
Station costs and license fees, net of accumulated amortization of \$217,378	\$ 8,472	-	\$ 8,472	\$ 14,850
Total Assets	<u>\$2,270,549</u>	<u>-</u>	<u>\$2,270,549</u>	<u>\$2,418,801</u>
<b>LIABILITIES AND NET ASSETS</b>				
<u>Current Maturities</u>				
Accrued vacation	\$ 25,880	-	\$ 25,880	\$ 26,071
Accrued payroll and related deductions	18,705	-	18,705	17,590
Accounts payable	27,917	-	27,917	18,068
Sales tax payable	-	-	-	2
Total current liabilities	\$ 72,502	-	\$ 72,502	\$ 61,731
Net Assets	<u>2,198,047</u>	<u>-</u>	<u>2,198,047</u>	<u>2,357,070</u>
Total Liabilities and Net Assets	<u>\$2,270,549</u>	<u>-</u>	<u>\$2,270,549</u>	<u>\$2,418,801</u>

See Independent Auditor's Report and Notes to the Financial Statements.

GREAT PLAINS CHRISTIAN RADIO, INC.  
Meade, Kansas

STATEMENTS OF ACTIVITIES  
For the years ended December 31, 2018 and 2017

	<u>2018</u>			<u>2017</u>
	<u>Without</u>	<u>With</u>		
	<u>Donor</u>	<u>Donor</u>		
	<u>Restriction</u>	<u>Restriction</u>	<u>Total</u>	<u>Total</u>
<u>Public Support and Revenue</u>				
Public support	\$1,199,127	-	\$1,199,127	\$1,176,750
Program service	598,284	-	598,284	584,219
Special events	5,500	-	5,500	18,441
Net assets released from restrictions:				
Satisfaction of equipment acquisition				
restrictions	-	-	-	-
Total public support and revenue	<u>\$1,802,911</u>	<u>-</u>	<u>\$1,802,911</u>	<u>\$1,779,410</u>
<u>Operating Expenses</u>				
Administrative and general	\$ 463,003	-	\$ 463,003	\$ 490,038
Programming	1,149,472	-	1,149,472	1,138,803
Special events	3,897	-	3,897	15,844
Fundraising expenses	<u>196,830</u>	<u>-</u>	<u>196,830</u>	<u>164,080</u>
Total expenses	<u>\$1,813,202</u>	<u>-</u>	<u>\$1,813,202</u>	<u>\$1,808,765</u>
Income (loss) from operations	\$ <u>(10,291)</u>	<u>-</u>	\$ <u>(10,291)</u>	\$ <u>(29,355)</u>
<u>Other Income (Expense)</u>				
Interest income	\$ 6,957	-	\$ 6,957	\$ 6,116
Depreciation expense – Programming	(118,026)	-	(118,026)	(125,960)
Depreciation expense – Administrative	(28,524)	-	(28,524)	(28,895)
Amortization – Programming	(4,401)	-	(4,401)	(6,591)
Amortization – Administrative	(8,985)	-	(8,985)	(8,985)
Miscellaneous income	7,588	-	7,588	1,314
Capital gain	<u>(3,341)</u>	<u>-</u>	<u>(3,341)</u>	<u>(1,068)</u>
Total other income (expense)	<u>\$ (148,732)</u>	<u>-</u>	<u>\$ (148,732)</u>	<u>\$ (164,069)</u>
Change in Net Assets	\$ (159,023)	-	\$ (159,023)	\$ (193,424)
Net Assets, Beginning of Year	<u>2,357,070</u>	<u>-</u>	<u>2,357,070</u>	<u>2,550,494</u>
Net Assets, End of Year	<u>\$2,198,047</u>	<u>-</u>	<u>\$2,198,047</u>	<u>\$2,357,070</u>

See Independent Auditor's Report and Notes to the Financial Statements.

GREAT PLAINS CHRISTIAN RADIO, INC.  
Meade, Kansas

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>Cash Flows from Operating Activities</u>		
Change in net assets	\$ (159,023)	\$ (193,424)
Items not requiring (providing) cash:		
Depreciation	146,550	154,855
Amortization	13,386	15,576
Capital gain	3,341	1,068
Changes in:		
Decrease (increase) in inventory, prepaid expenses and receivable	(1,149)	6,651
Increase (decrease) in accounts payable and accrued expenses	<u>10,771</u>	<u>(6,822)</u>
Net cash provided by operating activities	\$ 13,876	\$ (22,096)
<u>Cash Flows from Investing Activities</u>		
Purchase of property and equipment	(141,631)	(35,441)
<u>Cash Flows from Financing Activities</u>		
Sale of assets	<u>4,838</u>	<u>-</u>
Net Increase (Decrease) in Cash	\$ (122,917)	\$ (57,537)
Cash, Beginning of Year	<u>1,056,287</u>	<u>1,113,824</u>
Cash, End of Year	\$ <u>933,370</u>	\$ <u>1,056,287</u>

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