WJCT, INC. AND AFFILIATE

CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND 2024

WJCT, INC. AND AFFILIATE
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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees,
WJCT, Inc. and Affiliate:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of WJCT, Inc. and Affiliate (the "Station"), which comprise the consolidated statements of financial position as of September 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Station and its affiliate as of September 30, 2025 and 2024, and the changes in their net assets and their 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS) issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WJCT, Inc. and Affiliate 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.

Emphasis of Matter

As discussed in Note 8 to the consolidated financial statements, the 2024 consolidated financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WJCT, Inc. and Affiliate's ability to continue as a going concern for one year after the date the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 WJCT, Inc. and Affiliate'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WJCT, Inc. and Affiliate'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information (Exhibit I) is presented for purposes of analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

The nature of the expenses relating to the City of Jacksonville Cultural Services Grant (Exhibit I) is in compliance with Section 118 of the City of Jacksonville Ordinances.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2026, on our consideration of the Station'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 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 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 the Station's internal control over financial reporting and compliance.

James Moore & Co., P.L.

Gainesville, Florida
January 20, 2026

WJCT, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2025 AND 2024

	2025	Restated 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 4,763,889	$ 4,113,387
Accounts receivable, net	334,187	231,803
Grants receivable	1,356,000	1,233,483
Contribution receivable - donated use of land	75,737	75,737
Prepaid expenses	215,775	111,462
Other current assets	23,750	23,750
Total current assets	6,769,338	5,789,622
Noncurrent assets		
Property and equipment, net	5,379,180	5,609,651
Financing lease right of use asset, net	64,051	89,777
Contribution receivable - donated used of land, less current portion	1,359,410	1,365,945
Investments - equity and fixed income	5,328,065	4,482,583
Investments - charitable gift annuity	-	143,788
Beneficial interest in perpetual trust	192,155	178,001
Investment in partnership	(1,435)	(1,257)
Total noncurrent assets	12,321,426	11,868,488
Total Assets	$ 19,090,764	$ 17,658,110
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	$ 389,907	$ 150,841
Accrued salaries and wages	398,218	359,230
Deferred support and revenue	317,731	310,063
Refundable advance	47,000	15,000
Current portion of financing lease liability	21,863	25,199
Current portion of gift annuity liability	-	10,600
Total current liabilities	1,174,719	870,933
Long-term liabilities		
Financing lease liability, less current portion	43,440	65,302
Gift annuity liability, less current portion	-	96,744
Total long-term liabilities	43,440	162,046
Total liabilities	1,218,159	1,032,979
Net assets		
Without donor restrictions	13,419,755	12,499,659
With donor restrictions	4,452,850	4,125,472
Total net assets	17,872,605	16,625,131
Total Liabilities and Net Assets	$ 19,090,764	$ 17,658,110

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

WJCT, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	2025			Restated 2024		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	**Without Donor Restrictions**	**With Donor Restrictions**	**Total**
Support and revenue						
Grants	$ 2,688,563	$ 897,585	$ 3,586,148	$ 3,126,761	$ 1,754,556	$ 4,881,317
Membership income	4,682,651	-	4,682,651	2,955,926	-	2,955,926
In-kind contributions	1,163,740	-	1,163,740	867,220	-	867,220
Underwriting	1,804,981	-	1,804,981	1,907,107	-	1,907,107
Change in value of beneficial interest in perpetual trust	2,988	-	2,988	22,766	-	22,766
Change in value of charitable gift annuity	(2,550)	107,344	104,794	9,034	-	9,034
Investment return, net	487,610	-	487,610	622,111	-	622,111
Master control service	-	-	-	1,235,656	-	1,235,656
Rental income	326,013	-	326,013	385,089	-	385,089
Other	630,683	-	630,683	552,433	-	552,433
Net assets released from restrictions:						
Restricted funds expended	677,551	(677,551)	-	240,540	(240,540)	-
Total support and revenue	12,462,230	327,378	12,789,608	11,924,643	1,514,016	13,438,659
Expenses						
Program services						
Programming and production	5,437,502	-	5,437,502	4,206,783	-	4,206,783
Broadcasting	1,747,339	-	1,747,339	3,202,222	-	3,202,222
Program information and promotion	190,888	-	190,888	142,054	-	142,054
Total program services	7,375,729	-	7,375,729	7,551,059	-	7,551,059
Supporting Services						
Fundraising and membership development	1,849,985	-	1,849,985	1,404,865	-	1,404,865
Underwriting and grant solicitation	1,197,555	-	1,197,555	1,141,461	-	1,141,461
Management and general	1,118,865	-	1,118,865	1,099,794	-	1,099,794
Total supporting services	4,166,405	-	4,166,405	3,646,120	-	3,646,120
Total expenses	11,542,134	-	11,542,134	11,197,179	-	11,197,179
Change in net assets	920,096	327,378	1,247,474	727,464	1,514,016	2,241,480
Net assets, beginning of year as restated (note 8)	12,499,659	4,125,472	16,625,131	11,772,195	2,611,456	14,383,651
Net assets, end of year	$ 13,419,755	$ 4,452,850	$ 17,872,605	$ 12,499,659	$ 4,125,472	$ 16,625,131

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

WJCT, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Program Services				Supporting Services				
	Programming and Production	Broadcasting	Program Information and Promotion	Total	Fundraising and Membership Development	Underwriting and Grant Solicitation	Management and General	Total	Total Expenses 2025
Salaries, wages and benefits	$ 1,918,180	$ 702,640	$ 103,965	$ 2,724,785	$ 843,433	$ 710,238	$ 641,723	$ 2,195,394	$ 4,920,179
Occupancy	5,867	4,990	-	10,857	19,700	-	-	19,700	30,557
Programming costs	1,617,063	-	-	1,617,063	6,428	-	12,864	19,292	1,636,355
Repairs and maintenance	6,560	191,012	-	197,572	133,655	2,463	38,042	174,160	371,732
Travel and meetings	16,277	186	-	16,463	793	912	12,144	13,849	30,312
Advertising	39,669	-	2,335	42,004	2,029	-	-	2,029	44,033
Printing	13,808	1,085	22,509	37,402	28,451	24,957	984	54,392	91,794
Professional services	355,500	142,898	41,133	539,531	398,764	36,200	218,373	653,337	1,192,868
Supplies	79,454	27,137	-	106,591	23,235	35,330	12,548	71,113	177,704
Postage	7,555	200	-	7,755	29,743	161	2,638	32,542	40,297
Depreciation	198,131	280,748	18,453	497,332	21,841	21,841	21,841	65,523	562,855
Interest on financing lease liabilities	18	5	-	23	11	-	2,913	2,924	2,947
Bad debts	-	-	-	-	1,774	-	-	1,774	1,774
Membership maintenance	16,865	-	2,493	19,358	226,249	-	94	226,343	245,701
Utilities	1,230	217,008	-	218,238	426	2,120	-	2,546	220,784
Insurance	-	158,185	-	158,185	-	-	-	-	158,185
In-kind	1,120,055	14,400	-	1,134,455	-	-	35,820	35,820	1,170,275
Trade	-	-	-	-	-	357,673	-	357,673	357,673
Other	41,270	6,845	-	48,115	113,453	5,660	93,155	212,268	260,383
Amortization of financing right of use asset	-	-	-	-	-	-	25,726	25,726	25,726
	$ 5,437,502	$ 1,747,339	$ 190,888	$ 7,375,729	$ 1,849,985	$ 1,197,555	$ 1,118,865	$ 4,166,405	$ 11,542,134

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

WJCT, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Program Services				Supporting Services				Restated
	Programming and Production	Broadcasting	Program Information and Promotion	Total	Fundraising and Membership Development	Underwriting and Grant Solicitation	Management and General	Total	Total Expenses 2024
Salaries, wages and benefits	$ 1,562,432	$ 1,457,587	$ 105,752	$ 3,125,771	$ 823,377	$ 673,051	$ 688,410	$ 2,184,838	$ 5,310,609
Occupancy	2,700	4,785	-	7,485	17,174	249	-	17,423	24,908
Programming costs	1,531,653	-	-	1,531,653	6,408	-	9,515	15,923	1,547,576
Repairs and maintenance	4,142	202,559	-	206,701	123,860	4,413	-	128,273	334,974
Travel and meetings	7,089	395	-	7,484	4,509	1,153	13,693	19,355	26,839
Advertising	43,904	-	5,695	49,599	25,047	6	-	25,053	74,652
Printing	14,315	561	9,492	24,368	31,564	20,177	3,359	55,100	79,468
Professional services	35,397	619,888	19,412	674,697	35,786	37,745	226,708	300,239	974,936
Supplies	51,385	37,195	1,451	90,031	26,786	32,650	17,116	76,552	166,583
Postage	5,217	1,348	-	6,565	24,741	54	5,839	30,634	37,199
Depreciation	114,852	459,408	-	574,260	-	-	-	-	574,260
Interest on financing lease liabilities	46	353	-	399	29	-	1,182	1,211	1,610
Bad debts	-	-	-	-	3,700	5,178	-	8,878	8,878
Membership maintenance	6,070	-	-	6,070	194,694	-	728	195,422	201,492
Utilities	950	243,581	-	244,531	795	1,360	3,889	6,044	250,575
Insurance	-	152,513	-	152,513	-	-	-	-	152,513
In-kind	811,437	14,400	-	825,837	-	-	47,612	47,612	873,449
Trade	-	-	-	-	-	362,128	-	362,128	362,128
Other	15,194	2,877	252	18,323	86,395	3,297	44,266	133,958	152,281
Amortization of financing right of use asset	-	4,772	-	4,772	-	-	37,477	37,477	42,249
	$ 4,206,783	$ 3,202,222	$ 142,054	$ 7,551,059	$ 1,404,865	$ 1,141,461	$ 1,099,794	$ 3,646,120	$ 11,197,179

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

WJCT, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	2025	2024
Cash flows from operating activities		
Cash received from grants, donors and fundraising activities	$ 11,075,517	$ 11,052,185
Cash paid to suppliers and employees	(9,756,841)	(9,789,064)
Cash paid for interest	(2,947)	(1,610)
Net cash provided by operating activities	1,315,729	1,261,511
Cash flows from investing activities		
Purchases of property and equipment	(188,668)	(234,321)
Purchases of investments	(4,164,068)	(4,098,460)
Proceeds from sale of investments	3,712,707	3,718,110
Net cash used in investing activities	(640,029)	(614,671)
Cash flows from financing activities		
Principal payments on finance lease liability	(25,198)	(42,936)
Net cash used in financing activities	(25,198)	(42,936)
Change in cash and cash equivalents	650,502	603,904
Cash and cash equivalents, beginning of year	4,113,387	3,509,483
Cash and cash equivalents, end of year	$ 4,763,889	$ 4,113,387

	2025	2024
Supplemental disclosure of non-cash investing and financing activities:		
Right of use assets obtained in exchange for finance lease obligations	$ -	$ 70,959
Purchases of construction in progress included in accrued expenses	$ 143,720	$ -
Noncash transfer of invested charitable gift annuity to investments	$ 107,344	$ -

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

(1) **Summary of Significant Accounting Policies:**

(a) **Organization and operation**—WJCT, Inc. and Affiliate (the "Station") operate a public service television ("WJCT-TV") and radio station ("WJCT-FM") located in Jacksonville, Florida. The accompanying consolidated financial statements include the accounts of WJCT, Inc. ("WJCT") and its financially interrelated affiliate JCT Services, LLC ("JCT Services"), which is under common control and has a common economic interest. The Station is funded mainly by federal and state grants, community fundraising and underwriting contributions.

WJCT was established in 1958 to engage in broadcast operations as well as certain non-broadcast activities which enhance the educational, cultural, recreational and economic opportunities in the viewing area.

JCT Services, LLC was formed as a limited liability corporation in May 2012 to service programming distribution for the Digital Convergence Alliance (DCA) (see Note 14). JCT Services, LLC is wholly owned by the Station. During the year ended September 30th, 2024, JCT Services was dissolved.

Transactions and balances between WJCT and JCT Services have been eliminated in consolidation.

(b) **Basis of accounting**—The accounts of the Station are maintained in conformity with the principles of accounting of not-for-profit accounting and have been prepared on the accrual basis.

(c) **Basis of presentation**—The Station reports net assets based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Station and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by actions of the Station and/or passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenues are 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 assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by laws. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

At September 30, 2025 and 2024, net assets with donor restrictions include grant and contribution funds from various entities which are restricted to spending on specific WJCT initiatives and projects, as well as time-restricted donated used of land.

(d) **Cash and cash equivalents**—For purposes of reporting cash flows, cash and cash equivalents include only investments with original maturities of three months or less.

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Investments**—Investments are carried at fair value, and realized and unrealized gains and losses are reflected in the accompanying statements of activities. See Note 2 for further information on fair value reporting.

(f) **Accounts receivable—**Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Station estimates expected credit losses on accounts receivable using a methodology that considers historical loss experience, current economic conditions, and reasonable and supportable forecasts of future conditions. Expected credit losses are recorded through an allowance for credit losses, with a corresponding charge to credit loss expense. Accounts receivable are written off against the allowance for credit losses when management determines the balances are uncollectible after reasonable collection efforts have been exhausted. There was no allowance for credit losses on accounts receivable at September 30, 2025 or September 30, 2024.

(g) **Split interest agreements**—The Station accepts gifts subject to split interest agreements, in the form of annuities and charitable trusts. At the time of receipt, a gift is recorded based upon the fair value of assets donated less any applicable liabilities. Liabilities include the present value of projected future distributions to the annuitant and are determined using the Internal Revenue Service rate for computing charitable deductions for such gifts in effect at the time of the gift. Funds subject to split interest agreements are classified as with or without donor restrictions based upon donor designations.

(h) **Property and equipment**—Property and equipment purchased or acquired with an original cost of $1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives of the assets which range from ten to forty years for buildings and improvements and three to forty years for equipment.

(i) **Leases**—The Station leases copiers. The Station determines if an arrangement is a lease at inception. Finance leases are included in finance lease right of use (ROU) assets and financing lease liabilities on the Station's statement of financial position.

ROU assets represent the Station's right to use an underlying asset for the lease term and lease liabilities represent the Station's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Station uses the implicit rate provided in the lease agreement in determining the present value of lease payments. The Station's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Station will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Station's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

(1) **Summary of Significant Accounting Policies:** (Continued)

In evaluating contracts to determine if they qualify as a lease, the Station considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if it can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

(j) **Revenue recognition**—The Station recognizes support and revenue from a variety of sources, including but not limited to the following:

Underwriting revenues are contributions to the Station to support its programming or activities in the form of underwriting credit. Nothing of commensurate value is exchanged for underwriting credit, and the Station provides refunds for any underwriting revenues collected if the spots are not aired. Therefore, underwriting revenues contain a barrier to overcome and a right of return or a right of release of the obligation, and are recognized as revenue when the related underwriting credits are aired.

Grants for specific projects and activities are recognized as revenue when awarded and all conditions have been met. Revenue on cost-reimbursable grants that require a right of return or right of release of the obligation for any unspent funds is recognized to the extent of costs incurred.

Contributions, including subscriptions and membership revenues, are recognized when cash, securities or other assets; an unconditional promise to give or bequest; 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 met. Contributions, pledges and grants are considered to be available for unrestricted use 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 support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the amount is received, the entity reports the support as net assets without donor restrictions. Expenditures of funds without donor restrictions are recognized as expenses when expended or upon incurrence of the related liability.

(k) **In-kind contributions—**Contributed materials, supplies, facilities, and property are recorded at their estimated fair value at the date of donation. The Station reports gifts of equipment, professional services, materials and other nonmonetary contributions as support in the accompanying consolidated statements of activities.

If the fair value of contributed materials, supplies, facilities, and property cannot be reasonably determined they are not recorded. Donated personal services of nonprofessional volunteers, as well as national and local programming services, are not recorded as revenue and expense as there is no objective basis available to measure the value of such services.

Contributed advertising and promotion are recorded at the fair value of the contribution portion of the total value received.

(1) **Summary of Significant Accounting Policies:** (Continued)

(l) **Pledges and contributions**—The Station engages in periodic fundraising campaigns manifested by offering special programs and on-air and mail fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Station for enhancement of program offerings and other operating expenses. Financial contributions are frequently evidenced by pledges received from responding viewers and listeners. Contributions are recognized as revenues in the period unconditional promises to give are received. Conditional promises to give are not recognized until they become unconditional (i.e., when the conditions are substantially met). Contributions to be received after one year are discounted using an appropriate discount rate commensurate with the risk involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on such contributions. An allowance for credit losses is provided based upon management's judgment, including such factors as prior collection history, type of contributions and general conditions. Contributions and collected pledges are components of the without donor restrictions operating fund inasmuch as their usage is not limited to specific activities of the Station. This usage is consistent with appeals for contributions and pledges.

(m) **Corporation for Public Broadcasting Community Service Grants**—The Corporation for Public Broadcasting (CPB) is a private, nonprofit grant making organization responsible for funding more than 1,000 television and radio stations. CPB distributes annual Community Service Grants (CSGs) to qualifying public broadcasting entities. CSGs are used to augment the financial resources of public broadcasting entities and thereby to enhance the quality of programming and expand the scope of public broadcasting services. Each CSG may be expended over one or two federal fiscal years as described in the Communications Act, 47 United States Code Annotated, Section 396(k)(7). In any event, each grant must be expended within two years of the initial grant authorization.

According to the Communications Act, funds may be used at the discretion of recipients for purposes relating primarily to production and acquisition of programming. Also, the grants may be used to sustain activities begun with CSGs awarded in prior years. Certain *General Provisions* must be satisfied in connection with application for and use of the grants to maintain eligibility and meet compliance requirements. These *General Provisions* pertain to the use of grant funds, record keeping, audits, financial reporting, mailing lists, and licensee status with the Federal Communications Commission.

Any remaining CSG funds and other restricted CPB grant funds at fiscal year-end are reported as restricted cash and restricted-expendable net position on the statements of net position. As a result of the passage of a federal rescissions package, funding for the CPB for fiscal years 2026 and 2027 was rescinded. With the dissolution of the CPB effective October 1, 2025, the Station does not expect to receive CSGs or other funding from the CPB going forward.

(n) **Income taxes**—WJCT is generally exempt from income taxes under 501(c)(3) and JCT Services is an LLC, wholly owned by WJCT and considered a disregarded entity for income tax purposes. All activity of JCT Services is included on the tax return of WJCT. The activities of the Station which cause imposition of the unrelated business income tax provision have historically not resulted in significant income tax amounts. Therefore, no provision for income taxes has been made in the accompanying consolidated financial statements.

(1) **Summary of Significant Accounting Policies:** (Continued)

As of September 30, 2025 and 2024, the Station had net operating loss carryforwards totaling approximately $3,800,000 and $3,900,000, respectively. The net operating loss carryforwards, if not utilized, will begin to expire in 2025. Based on the available object evidence, including the Station's history of losses and unrelated business income activity, management believes it is more likely than not that the net deferred tax assets will not be fully realizable. Therefore, no benefit for income taxes has been recorded due to the uncertainty of the realization of any tax assets.

The Station files income tax returns in the U.S. Federal jurisdiction. The Station's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination. The Station has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the consolidated financial statements of the Station.

(o) **Functional allocation of expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among program and supporting services benefited based on total personnel costs or other systematic bases.

(p) **Use of estimates**—The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, results could differ from those estimates.

(q) **Advertising costs**—Advertising costs are expensed in the period in which they are incurred. Advertising expense for the years ended September 30, 2025 and 2024, was $44,033 and $74,652, respectively.

(r) **Subsequent events**—The Station has evaluated events and transactions for potential recognition or disclosure in the financial statements through January 20, 2026, the date the financial statements were available to be issued, and determined that no significant events, other than the one described below, occurred during that time period that impacted or required disclosure in the consolidated financial statements.

In November 2025, the Station entered in a purchase agreement to sell a portion of its Educational Broadband Service ("EBS") license for gross proceeds of approximately $7.4 million. The transaction is subject to approval by the Federal Communications Commission ("FCC") and has not been approved as of the dates these financial statements were issued.

(s) **Recently issued accounting pronouncements**—The FASB and other entities periodically issue new or modifications to, or interpretations of, existing accounting guidance. The Station has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the consolidated financial statements, does not believe that any other new or modified principles will have a material impact on the Station's reported financial position, activities or cash flows.

(2) Investments and Fair Value Measurements:

The Station invests in various securities primarily based on its investment policy and liquidity needs. The following is a summary of investment funds at September 30, 2025 and 2024:

Year	Cost	Fair Value
2025	$ 5,038,472	$ 5,518,785
2024	$ 4,426,067	$ 4,803,115

Net investment return on the statements of activities is comprised of the following for the years ended September 30, 2025 and 2024:

	2025	2024
Interest	$ 274,039	$ 291,238
Realized gains, net	92,644	16,131
Unrealized gains, net	120,927	314,742
Investment return, net	$ 487,610	$ 622,111

The fair value measurement accounting literature provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Station has the ability to access.

Level 2 – Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in inactive markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation of other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

(2) **Investments and Fair Value Measurements:** (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to the methodologies used at September 30, 2025 and 2024.

Beneficial interest in a perpetual trust – Valued at the Station's share of the underlying assets held by the trust.

Charitable Gift Annuity – Valued based on market values for identical investments or liabilities in active markets.

Equity securities – Valued at quoted market prices.

Fixed income – Valued at quoted market prices, when available. When quoted market prices are not available, valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yield currently available on comparable securities of issuers with similar credit ratings.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Station believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table summarizes the assets of the Station for which fair values are determined on a recurring basis as of September 30, 2025 and 2024:

	Assets at Fair Value as of September 30, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Beneficial interest in a perpetual trust (Note 3)	$ -	$ 192,155	$ -	$ 192,155
Mutual funds	814,811	-	-	814,811
Equity securities	1,275,939	-	-	1,275,939
Fixed income	-	3,237,315	-	3,237,315
Investment in partnership	-	-	(1,435)	(1,435)
Total	$ 2,090,750	$ 3,429,470	$ (1,435)	$ 5,518,785

(2) **Investments and Fair Value Measurements:** (Continued)

	Assets at Fair Value as of September 30, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Charitable gift annuity (Note 4)	$ 143,788	$ -	$ -	$ 143,788
Beneficial interest in a perpetual trust (Note 3)	-	178,001	-	178,001
Mutual funds	1,737,985	-	-	1,737,985
Equity securities	1,032,843	-	-	1,032,843
Fixed income	-	1,711,755	-	1,711,755
Investment in partnership	-	-	(1,257)	(1,257)
Total	$ 2,914,616	$ 1,889,756	$ (1,257)	$ 4,803,115

Mutual funds include $814,811 and $1,737,985 of money market funds at September 30, 2025 and 2024, respectively. These are held in cash accounts with financial services companies and are considered to be a part of total investments, as they will be used for investment purposes in the near future. The amounts have been included in the table above to reconcile with the consolidated statements of financial position.

(3) **Beneficial Interest in a Perpetual Trust:**

The beneficial interest in a perpetual trust represents the Station's 10% beneficial interest in a charitable trust established with a bank by a donor in 2007. The Station recognized a contribution based on its pro-rata share of the fair market value of the underlying assets in the trust which consist of cash, equity, fixed income, real estate, and tangible assets. The beneficial interest is included as part of net assets without donor restrictions as income is available to the Station for its unrestricted use. The beneficial interest at September 30, 2025 and 2024, is valued based on the fair market value of the Station's share of the underlying assets held by the trust.

(4) **Charitable Gift Annuity:**

During fiscal year ended September 30, 2016, the Station entered into charitable gift annuity agreements with donors. Under terms of these agreements, the beneficiaries are to receive quarterly distributions in the amount of $2,650 for the life of the donors. The present value of the annuity payment liabilities at September 30, 2024, has been calculated based on the respective payouts and discount rates as determined by the trust documents. This amount is reflected on the accompanying consolidated statements of financial position as a gift annuity liability.

During the year ended September 30, 2025, both beneficiaries of the charitable gift annuity passed away, resulting in the termination of the Station's obligation under that agreement. The termination resulted in the recognition of $107,344 as a change in the value of charitable gift annuity, representing the remaining balance of the annuity liability at the date of termination. Assets previously held to support the agreement, totaling $141,239, became available for use by the Station subject to the donor's original restrictions. As of September 30, 2025, the Station had no outstanding charitable gift annuities.

(5) Property and Equipment:

A summary of property and equipment at September 30, 2025 and 2024, is as follows:

	2025	2024
Land	$ 87,760	$ 87,760
Buildings and improvements	14,047,741	13,945,614
Broadcast and other equipment	6,558,810	6,527,888
Total property and equipment	20,694,311	20,561,262
Less: Accumulated depreciation	15,611,565	15,048,705
Construction in process	296,434	97,094
Property and equipment, net	$ 5,379,180	$ 5,609,651

For the years ended September 30, 2025 and 2024, depreciation expense for property and equipment was $562,855 and $574,260, respectively.

(6) Festival Park Premises:

A portion of the Festival Park public broadcasting facility constructed by the State of Florida (the "State") is leased from the State for a forty-year term from the date of execution (December 20, 1977). Payments under this lease amount to one dollar per year. The terms of agreement between WJCT and the State provide that WJCT will have exclusive use of the building for forty years provided it does not cease operating as an educational and/or public broadcasting system. At the end of the initial forty-year period the State can: 1) renew the lease for an additional 20 years (at the end of this period the building would belong to WJCT) for one dollar per year; 2) demolish the building; or 3) abandon the building to WJCT. In 2019, the lease term was renewed for an additional 20 years.

The total lease space occupied by the Station is recorded as in-kind contributions and expense at the estimated fair value of $855,252 and $546,727 for the years ended September 30, 2025 and 2024, respectively.

The building is included in property and equipment in the accompanying consolidated statements of financial position at the State's cost to construct and renovate the facilities in the amount of $8,429,336 at September 30, 2025 and 2024. Depreciation expense related to the facility was $116,467 for the years ended September 30, 2025 and 2024. Accumulated depreciation was $6,918,827 and $6,802,360 at September 30, 2025 and 2024, respectively.

(7) Leases:

For the year ended September 30, 2025, the Station has two financing leases for copiers, which have remaining lease terms expiring in fiscal years 2026 and 2028. As of September 30, 2025 and 2024, assets recorded under finance leases, net of accumulated amortization, were $64,051 and $89,777, respectively.

The components of lease expense for the year ended September 30, 2025 and 2024 were as follows:

	2025	2024
Short-term lease cost	$ 40,574	$ 8,919
Amortization of finance right of use assets	25,726	42,249
Interest on finance lease liabilities	2,953	1,610
	$ 69,253	$ 52,778

The weighted average remaining lease term was 2.9 and 3.7 years and the weighted average discount rate was 3.67% for the years ended September 30, 2025 and 2024, respectively.

Future minimum lease payments under non-cancellable leases as of September 30, 2025 were as follows:

Years Ending September 30:	Finance
2026	23,875
2027	22,560
2028	22,557
Total future minimum payments	68,992
Less: Imputed interest	3,689
	$ 65,303

(8) Contribution Receivable – Donated Use of Land

Description of terms:

The land on which WJCT's public broadcasting facility is located is leased from the City of Jacksonville, Florida (the City) for one dollar per year for a 73-year term that began in October 2002 and ends on March 30, 2076. Management determined the fair value of the donated use of the land to be $75,737 per full year based on prevailing market rental rate for comparable space at lease commencement. Discontinuance of the use intended under the agreement or the failure of WJCT to remain a non-profit corporation providing educational and cultural opportunities for the citizens of the City would constitute a forfeiture of WJCT's interest in these premises. Upon termination of the lease, all structures become the property of the City.

Recognition and measurement:

The arrangement represents an unconditional promise to give a nonfinancial asset. In accordance with ASC 958, the Station recognized a contribution receivable with donor restrictions at the present value of expected future benefits at the amendment date, using a risk-free discount rate of 4.81% percent (20-year U.S. Treasury yield in October 2002). Interest accretion is recognized each period to amortize the discount, and the receivable is reduced as the donated benefit is used. Amounts are released from donor restriction in the period the land is utilized.

(8) **Contribution Receivable – Donated Use of Land:** (Continued)

Carrying amount and classification at September 30, 2025 and 2024:

	2025	2024
Contribution receivable – current portion	$ 75,737	$ 75,737
Contribution receivable – noncurrent portion	1,359,410	1,365,945
Total contribution receivable, present value	$ 1,435,147	$ 1,441,682

Expected future benefits and present value:

The following summarizes the undiscounted future donated-use benefits and their present value at September 30, 2025:

Expected future benefits (undiscounted)	Amount
Due in < 1 year (2026)	$ 75,737
Due in years 2 – 5 (2027-2030)	302,948
Due in years 6 – 10 (2031-2035)	378,685
Due after 10 years (2036-2076)	3,067,350
Total undiscounted future benefits	3,824,720
Less: unamortized discount at 4.81%	(2,389,573)
Present value of contribution receivable	$ 1,435,147

Activity during the year ended September 30, 2025 (noncash):

Beginning balance, present value	$ 1,441,682
Interest accretion (noncash)	69,202
Reduction for current-year donated use (release)	(75,737)
Ending balance, present value	$ 1,435,147

Related net assets:

At September 30, 2025, net assets with donor restrictions include the time-restricted balance related to the contribution receivable described above. During 2025, $6,535 was released from donor restriction as the donated facilities were used.

(8) **Contribution Receivable – Donated Use of Land:** (Continued)

Restatement of beginning net assets (noncash):

During 2025, the Station corrected an error related to the recognition of the contribution receivable for donated use of facilities. The correction has been reflected as an adjustment to net assets at October 1, 2023. The adjustment is entirely noncash. A reconciliation is presented below.

Net assets at October 1, 2023, as previously reported	$	12,935,740
Cumulative effect of correction (recognition of contribution receivable, net of prior releases) through September 30, 2023		1,447,911
Net assets at October 1, 2023, as restated	$	14,383,651

Net assets at September 30, 2024, as previously reported	$	15,183,449
Cumulative effect of correction (recognition of contribution receivable, net of prior releases) through September 30, 2024		1,441,682
Net assets at October 1, 2024, as restated	$	16,625,131

Allowance for uncollectible amounts:

Management evaluates contributions receivable for expected uncollectible amounts. The receivable described above represents a legally enforceable promise to provide the use of land. Based on the donor's creditworthiness and the nature of the promise, no allowance for uncollectible amounts was recorded at September 30, 2025.

(9) **Significant Concentrations:**

Information related to significant concentrations of revenues and credit risk for financial instruments owned by the Station, except as otherwise disclosed, is as follows:

(a) **Cash and cash equivalents**—The Station maintains demand deposit and money market account balances which at times may exceed federally insured limits. The Station has not experienced any losses in such accounts. The Station had $4,300,397 and $3,549,582 in uninsured cash balances as of September 30, 2025 and 2024, respectively.

(b) **Accounts receivable**—The Station has no policy requiring collateral or other security to support accounts receivable.

(c) **Revenues**—The Station received significant revenue from one source during the year ended September 30, 2025, and from two sources for the year ended September 30, 2024. During the years ended September 30, 2025 and 2024, the CPB provided approximately 11% and 10% of revenue, respectively. During the year ended September 20, 2024, the Digital Convergence Alliance provided approximately 9% of revenue.

(10) **Receivables:**

At September 30, 2025, 2024, and 2023, accounts receivable consists of the following:

	2025	2024	2023
Underwriting and production receivables	$ 334,187	$ 231,803	$ 231,803
Grants receivable	1,356,000	1,233,483	1,233,483
Total receivables	$ 1,690,187	$ 1,465,286	$ 1,465,286

(11) **Community Service Grants (CSG):**

The Station receives a CSG from the CPB annually. The CSGs received and expended during the most recent fiscal years were as follows:

Years of Grant	Grants Received	Expended 2022-23	Expended 2023-24	Expended 2024-25	Uncommitted Balance at September 30, 2025
2024-26	$ 1,427,126	$ -	$ -	$ 1,427,126	$ -
2023-25	1,346,219	-	1,346,219	-	-
2022-24	1,173,138	1,173,138	-	-	-

As described in Note 1, subsequent to year end, funding for the CPB for fiscal years 2026 and 2027 was rescinded and the CPB was dissolved effective October 1, 2025. As a result, the Station does not expect to receive additional CSGs or other funding from the CPB going forward. The loss of this funding source could have a substantial impact on future revenues and operating results.

(12) **Contributed Nonfinancial Assets:**

In-kind contributions included in the statement of activities for the years ended September 30, 2025 and 2024, are comprised of the following:

	2025	2024
Services	$ 71,286	$ 82,985
Land	69,202	69,508
Tower	168,000	168,000
Building	855,252	546,727
Total	$ 1,163,740	$ 867,220

Services recognized comprise professional services and are valued using current rates of the professional firms and telecommunications companies.

Land, tower and building values are based on estimated current market rental rates for similar facilities. See Note 13 for additional information on tower rental, Note 6 for building facilities, and Note 8 for land.

(12) **Contributed Nonfinancial Assets:** (Continued)

In-kind contributions are not restricted. The Station does not sell in-kind contributions and uses the contributed in-kind items in programming and production, broadcasting, and management and general activities.

(13) **Lease Rental Income:**

The Station leases building space to tenants in addition to broadcast channels and transmitter tower space to unrelated third parties under short-term agreements. Lease rental income under short-term leases totaled $326,013 and $385,089 for the years ended September 30, 2025 and 2024, respectively.

The Station negotiated an agreement with an unrelated third party to take over the old tower. The third party built a new tower with expanded capacity and in return, the Station receives broadcasting space on the new tower for a lease term of 30 years at no charge. The Station recognized $168,000 as in-kind contributions related to this transaction for the years ended September 30, 2025 and 2024.

(14) **Retirement Plan:**

The Station sponsors a Retirement and Thrift Plan allowed by Section 403(b) of the Internal Revenue Code covering all full-time employees with one year of service. The Station has the discretion to increase or decrease matching contribution percentages each year, up to 5% of employee salaries. During the years ended September 30, 2025 and 2024, the Station provided $54,303 and $56,657 in matching contributions, respectively.

(15) **Consolidated Master Control Arrangement:**

The Digital Convergence Alliance (DCA) is a membership organization comprised of multiple public broadcasting stations. WJCT became a member of the DCA March 1, 2013, when they entered into a service provider agreement. Under this agreement, WJCT pays annual membership fees to the DCA for the provision of master control services in the amount of $297,252, less any adjustments for new members added. The agreement extended through December 2023 and was renewed on a month-to-month basis until the DCA terminated in April 2024. During the year ended 2024, WJCT paid $99,084 to the DCA for the provision of master control services.

In 2022, Centralcast LLC and DCA merged to form CentralCast Alliance LLC. Centralcast LLC is a joint master control facility that provides centralized operational services, staffing, monitoring systems, shared equipment, and data storage to maximize efficiencies in managing television operations. After the merger, the Station entered an agreement with Centralcast LLC in March 2023. The term of this agreement commenced March 2023 and extends 5 years through April 2028. The agreement may be extended for an additional period of 5 years after the original term. The Station's annual service fee was approximately $112,400 for the fiscal year ended September 30, 2024. During the year ended September 30, 2025, the agreement was amended to expand on services provided and has a new term extending through December 2030. The agreement may be extended an additional period of 5 years after this term ends. The Station's annual service fee was approximately $155,600 for the fiscal year ended September 30, 2025.

(15) **Consolidated Master Control Arrangement:** (Continued)

Prior to its dissolution, JCT Services provided operational, management, engineering, and maintenance services for the DCA in exchange for an annual service fee of $1,255,656 for the year ended September 30, 2024. The annual service fees from the DCA are included in master control service revenue on the accompanying consolidated statements of activities.

(16) Liquidity and Availability:

Financial assets available for general expenditure, that is, without donor restrictions, or internal board designations limiting their use, within one year of the balance sheet date, comprise the following:

	2025	2024
Cash and cash equivalents	$ 4,763,889	$ 4,113,386
Accounts and grants receivable	1,690,187	1,465,286
Investments – equity and fixed income	5,328,065	4,482,583
Less those unavailable for general expenditures within one year, due to:		
Donor imposed restrictions	3,017,703	2,683,790
Financial assets available to meet cash needs for general expenditures within one year	$ 8,739,263	$ 7,377,465

The Station structures its financial assets to be available and liquid as its general expenditures, liabilities, and other obligations come due. Although the Station does not intend to liquidate assets other than for amounts needed for general expenditures budgeted during the year, these amounts could be made available if necessary. The Station's available financial assets exclude certain assets that the Station would not be able to liquidate within one year of the date of the consolidated statements of financial position.

SUPPLEMENTAL INFORMATION

EXHIBIT I

WJCT, INC. AND AFFILIATE
SCHEDULES OF GRANTS - COUNCIL AUDITOR'S OFFICE
CITY OF JACKSONVILLE CULTURAL SERVICES GRANT FUNDS
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

City of Jacksonville Grant Funding for Fiscal Years Ending September 30, 2025 and 2024:

Receipt of City Funds:	**FY 2023-2024**	**FY 2024-2025**
Amount of Award- Cultural Service Grant	$ 625,999	$ 485,257
Amount of Award- Capital Grant	68,148	46,150
Amount Received 10/1/23-9/30/24	(694,147)	-
Amount Received 10/1/24 -9/30/25	-	(531,407)
Amount Remaining to be Disbursed	$ -	$ -

Expenditures of City Funds:

City FY 2023/24 CSGP

Item	**Approved Budget**	**Actual Expenditures 10/1/2023 - 9/30/2024**	**Remaining Balance**
Program Costs	$ 625,999	$ 625,999	$ -
Capital Project	68,148	68,148	-
Total	$ 694,147	$ 694,147	$ -

City FY 2024/25 CSGP

Item	**Approved Budget**	**Actual Expenditures 10/1/2024 - 9/30/2025**	**Remaining Balance**
Program Costs	$ 485,257	$ 485,257	$ -
Capital Project	46,150	46,150	-
Total	$ 531,407	$ 531,407	$ -

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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees,
WJCT, Inc. and Affiliate:

We have audited, 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, the consolidated financial statements of WJCT, Inc. and Affiliate (the "Station") as of and for the year ended September 30, 2025, and the related notes to the consolidated financial statements, which collectively comprise the Station's basic financial statements, and have issued our report thereon dated January 20, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Station's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Station's internal control. Accordingly, we do not express an opinion on the effectiveness of the Station'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 entity'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. We did identify a certain deficiency in internal control, described below, that we consider to be a significant deficiency.

2025-01: **Adjustments Related to In-Kind Leases and Contribution Receivable**

Management is responsible for preparing financial statements in accordance with U.S. generally accepted accounting principles (GAAP), including appropriate recognition, measurement, and disclosure of in-kind contributions and related receivables. During the current audit, noncash adjustments were recorded to align the accounting for an in-kind lease and the related contribution receivable with GAAP. The adjustments were material to the financial statements. Management recorded these entries during the audit and prior to the issuance of the financial statements. The Station's lease agreement had not been reviewed in light of the revenue recognition criteria outlined in ASC 958-605 for an unconditional contributed non-financial asset. The change in term necessitated a complex measurement of a long-duration, noncash contribution receivable. Before correction, the financial statements reflected an understatement in in-kind contribution revenue, the contribution receivable, and related net assets. These adjustments were entirely noncash and did not affect cash flows or liquidity. We recommend that management continue to monitor all contracts for amendments that may affect accounting treatment.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Station's consolidated 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 financial statements. 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 the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.

Gainesville, Florida
January 20, 2026