

Detroit Educational Television Foundation

**Financial Report
with Additional Information
June 30, 2007**

Detroit Educational Television Foundation

Contents

Report Letter	1
Financial Statements	
Balance Sheet	2
Statement of Activities and Changes in Net Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5-11
Additional Information	12
Report Letter	13
Statement of Functional Expenses	14
Comparative Balance Sheet by Broadcast Entity	15
Comparative Statement of Activities and Changes in Net Assets by Broadcast Entity	16



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Independent Auditor's Report

To the Board of Directors
Detroit Educational Television Foundation

We have audited the accompanying balance sheet of Detroit Educational Television Foundation as of June 30, 2007 and 2006 and the related statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Detroit Educational Television Foundation at June 30, 2007 and 2006 and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Plante & Moran, PLLC

October 4, 2007

Detroit Educational Television Foundation

Balance Sheet

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,622,604	\$ 3,507,649
Accounts receivable:		
Trade - Less allowance for doubtful accounts of \$83,850 in 2007 and \$5,000 in 2006	1,320,002	1,793,410
Pledges receivable - Net (Note 2)	2,639,705	2,426,642
Investments	1,198,603	1,025,034
Inventory	398,127	497,547
Prepaid assets and other	288,798	309,374
	<hr/>	<hr/>
Total current assets	8,467,839	9,559,656
Pledges Receivable - Long-term (Note 2)	4,090,916	4,389,562
Property and Equipment - Net (Note 3)	13,726,721	14,002,045
Other Assets	198,658	207,296
	<hr/>	<hr/>
Total assets	\$ 26,484,134	\$ 28,158,559
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Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 533,269	\$ 467,518
Current portion of long-term debt (Note 4)	1,380,000	3,000,000
Accrued liabilities and other (Note 9)	1,689,952	2,068,524
	<hr/>	<hr/>
Total current liabilities	3,603,221	5,536,042
Long-term Debt - Net of current portion (Note 4)	7,370,000	7,370,000
	<hr/>	<hr/>
Total liabilities	10,973,221	12,906,042
Net Assets		
Unrestricted	14,843,083	14,643,555
Temporarily restricted - Production funding, children's programming, and other	667,830	608,962
	<hr/>	<hr/>
Total net assets	15,510,913	15,252,517
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Total liabilities and net assets	\$ 26,484,134	\$ 28,158,559
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Detroit Educational Television Foundation

Statement of Activities and Changes in Net Assets

	Year Ended	
	June 30, 2007	June 30, 2006
Changes in Unrestricted Net Assets		
Revenue and support:		
Individual contributions	\$ 8,187,422	\$ 7,923,785
Retail product sales	4,805,296	6,323,086
Productions of local and national programs	1,867,059	1,602,205
Corporate contributions	1,696,580	995,031
Corporation for Public Broadcasting grant	1,422,639	1,510,049
Foundation contributions	1,191,082	1,421,067
Special events	452,846	266,061
Facilities rental	343,971	205,953
Capital campaign contributions	2,269,991	3,572,446
Net realized and unrealized gain on investments	173,569	102,615
Interest income - Unrestricted	50,867	73,776
Gain on sale of fixed assets	-	296,748
Miscellaneous income	20,412	4,674
	<u>22,481,734</u>	<u>24,297,496</u>
Net assets released from restrictions	439,132	54,000
	<u>22,920,866</u>	<u>24,351,496</u>
Total revenue, support, and net assets released from restrictions		
Expenses:		
Program services:		
Communications	1,107,743	1,588,612
Production	5,885,236	7,068,238
Engineering	3,169,442	3,296,537
Broadcast	4,801,386	3,614,661
	<u>14,963,807</u>	<u>15,568,048</u>
Support services:		
Administration and general	2,523,398	2,708,034
Fund-raising	5,234,133	4,855,586
	<u>22,721,338</u>	<u>23,131,668</u>
Total expenses		
Increase in Unrestricted Net Assets	199,528	1,219,828
Changes in Temporarily Restricted Net Assets		
Contributions	498,000	439,132
Net assets released from restrictions	(439,132)	(54,000)
	<u>58,868</u>	<u>385,132</u>
Increase in Temporarily Restricted Net Assets		
Increase in Net Assets	258,396	1,604,960
Net Assets - Beginning of year	15,252,517	13,647,557
Net Assets - End of year	<u>\$ 15,510,913</u>	<u>\$ 15,252,517</u>

Detroit Educational Television Foundation

Statement of Cash Flows

	Year Ended	
	June 30, 2007	June 30, 2006
Cash Flows from Operating Activities		
Increase in net assets	\$ 258,396	\$ 1,604,960
Adjustments to reconcile increase in net assets to net cash from operating activities:		
Depreciation and amortization	589,171	563,773
Gain on sale of property and equipment	-	(296,748)
Gain on securities	(173,569)	(102,615)
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	473,408	1,521,270
Inventory	99,420	81,070
Pledges receivable	85,583	(942,655)
Prepaid assets and other	20,577	(171,047)
Accounts payable, trade, and other	65,751	(969,604)
Accrued liabilities and other	(378,572)	(1,835,658)
Net cash provided by (used in) operating activities	1,040,165	(547,254)
Cash Flows from Investing Activities		
Purchase of property and equipment	(305,210)	(768,236)
Proceeds from disposition of property and equipment	-	616,971
Purchases of investments	(240,721)	(109,458)
Proceeds from sales and maturities of investments	240,721	114,548
Net cash used in investing activities	(305,210)	(146,175)
Cash Flows from Financing Activities - Payments on debt	(1,620,000)	-
Net Decrease in Cash and Cash Equivalents	(885,045)	(693,429)
Cash and Cash Equivalents - Beginning of year	3,507,649	4,201,078
Cash and Cash Equivalents - End of year	<u>\$ 2,622,604</u>	<u>\$ 3,507,649</u>
Supplemental Disclosure of Cash Flow Information - Cash paid for interest	<u>\$ 325,530</u>	<u>\$ 276,358</u>

Detroit Educational Television Foundation

Notes to Financial Statements June 30, 2007 and 2006

Note I - Nature of Business and Significant Accounting Policies

Nature of Organization - Detroit Educational Television Foundation (the "Foundation") is a not-for-profit corporation, which is exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code and is classified as an organization that is not a private foundation and is incorporated under the name Detroit Educational Television Foundation, Inc. The Foundation receives the majority of its funding from corporate and individual contributions and retail sales of productions of artists featured during programming.

The Foundation distinguishes among contributions received for each net asset category in accordance with donor-imposed restrictions. A description of the three categories is as follows:

Unrestricted Net Assets - Unrestricted net assets are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the board or may otherwise be limited by contractual agreements with outside parties.

Temporarily Restricted Net Assets - Temporarily restricted net assets are subject to donor-imposed stipulations that can be fulfilled by actions of the Foundation pursuant to those stipulations or that expire by passage of time.

Temporarily restricted net assets total approximately \$668,000 and \$609,000 at June 30, 2007 and 2006, respectively. Changes in temporarily restricted net assets include contributions of \$474,000 and \$439,132 restricted for production funding at June 30, 2007 and 2006, respectively. Changes in temporarily restricted net assets also include \$24,000 restricted for children's programming and other purposes at June 30, 2007.

Permanently Restricted Net Assets - Permanently restricted net assets are subject to donor-imposed stipulations that they may be maintained permanently by the Foundation. There were no permanently restricted net assets at June 30, 2007 and 2006.

Expenses are generally reported as decreases in unrestricted net assets. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets.

Contribution revenue with donor-imposed restrictions that are met in the same year as received or earned is reported as unrestricted revenue. Contribution revenue with donor-imposed restrictions that are not met in the same year is reported as temporarily restricted revenue and is reclassified to unrestricted net assets when an expense is incurred that satisfies the donor-imposed restriction.

Detroit Educational Television Foundation

Notes to Financial Statements June 30, 2007 and 2006

Note I - Nature of Business and Significant Accounting Policies (Continued)

The significant accounting policies are described below:

Cash Equivalents - The Foundation considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Investments - The Foundation has investments in mutual funds at June 30, 2007 and 2006. Investments are recorded at fair value based on quoted market prices.

Accounts Receivable - Accounts receivable consist of trade receivables and receivables from Koch Entertainment LLC (Koch) for sales of retail products that are companions to the Foundation's fund-raising programs.

Trade receivables are stated at billed amounts. An allowance for doubtful accounts is established based on specific assessment of all billings that remain unpaid following normal payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period the determination is made. At June 30, 2007 and 2006, gross trade accounts receivable were approximately \$580,000 and \$602,000, respectively.

The Foundation entered into an agreement until January 2009 with Koch for retail distribution throughout the United States and Canada of its music and video products that are companions to its television fund-raising programs. The receivable for retail sales by Koch are for sales that have occurred before the end of the fiscal year for which the Foundation has not received the proceeds. The receivables are stated at net realizable value. An allowance for potential returned merchandise is established based on historical merchandise return experience. At June 30, 2007 and 2006, accounts receivable from Koch totaled approximately \$824,000 and \$1,196,000, respectively, net of an allowance for returned merchandise of \$195,000 and \$180,000, respectively.

Pledges Receivable - The Foundation receives pledges of financial support from corporations, foundations, and individuals. Revenue is recognized when a pledge is made. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

An allowance for uncollectible contributions is provided based on management's judgment of potential defaults. The determination includes such factors as prior collection history, type of contribution, and nature of fund-raising.

Inventory - Inventory, consisting mainly of promotional items and merchandise held for resale by a third party, is stated at the lower of cost, computed on a first-in, first-out (FIFO) basis, or net realizable value.

Detroit Educational Television Foundation

Notes to Financial Statements June 30, 2007 and 2006

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Property and Equipment - Property and equipment are stated at original cost if purchased or at estimated fair value if donated. When assets are retired or otherwise disposed of, the related cost and depreciation are removed from the respective accounts, and any profit or loss is included in revenue. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

Other Assets - Other assets consist of capitalized bond issue costs related to the Series 2005 debt. The costs will be amortized over the life of the bonds.

Revenue - All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Revenue relating to retail sales is recognized when the sales occur.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Reclassification - Certain reclassifications were made to amounts in the 2006 financial statements to conform to the classifications used in 2007.

Note 2 - Pledges Receivable

Pledges receivable represent amounts pledged from donors. Pledges receivable consist of the following as of June 30, 2007 and 2006:

	2007	2006
Pledges receivable	\$ 7,460,333	\$ 7,609,743
Less unamortized discount	(461,724)	(529,495)
Less allowance for uncollectible pledges	(267,988)	(264,044)
Net pledges receivable	<u>\$ 6,730,621</u>	<u>\$ 6,816,204</u>
Amounts due in:		
Less than one year	\$ 2,907,693	\$ 2,690,686
One to five years	4,552,640	4,815,507
Greater than five years	-	103,550
Gross payments on pledges receivable	<u>\$ 7,460,333</u>	<u>\$ 7,609,743</u>

Detroit Educational Television Foundation

Notes to Financial Statements June 30, 2007 and 2006

Note 3 - Property and Equipment

The cost of property and equipment and the related accumulated depreciation at June 30, 2007 and 2006 are as follows:

	<u>2007</u>	<u>2006</u>
Land	\$ 2,746,173	\$ 2,746,173
Land improvements	74,543	74,543
Buildings and building improvements	9,675,773	9,716,030
Broadcast and production equipment	8,933,204	8,226,841
Office equipment	<u>1,037,704</u>	<u>1,398,600</u>
Total cost	22,467,397	22,162,187
Accumulated depreciation	<u>(8,740,676)</u>	<u>(8,160,142)</u>
Net carrying amount	<u>\$ 13,726,721</u>	<u>\$ 14,002,045</u>

Depreciation expense was \$580,534 and \$555,136 at June 30, 2007 and 2006, respectively.

Note 4 - Long-term Debt

Bonds payable consist of the following:

Michigan Strategic Fund Variable Rate Demand Limited Obligation Revenue Bonds Series 2005, in the amount of \$10,370,000, have an original maturity date of June 1, 2035. The bonds bear interest at a variable rate determined weekly (3.76 percent at June 30, 2007), not to exceed 18 percent or the maximum rate permitted by applicable law, at which time the bonds are remarketed. Annual principal payments range from \$225,000 to \$2,000,000 through 2030. The Foundation is required to maintain a letter of credit, which would fund any draws for bonds which are unable to be remarketed, equal to the balance of the bonds plus 45 days' interest at a maximum rate of 10 percent, not to exceed \$10,497,849. The letter of credit expires on July 16, 2010. The bonds are collateralized by the letter of credit, which is collateralized by substantially all of the assets of the Foundation. In addition, the Foundation is subject to meeting certain financial covenants.

Detroit Educational Television Foundation

Notes to Financial Statements June 30, 2007 and 2006

Note 4 - Long-term Debt (Continued)

Minimum principal payments on the bonds payable to maturity as of June 30, 2007 are as follows:

Years Ending June 30	Amount
2008	\$ 1,380,000
2009	225,000
2010	235,000
2011	240,000
2012	250,000
2013 and thereafter	<u>6,420,000</u>
Total	<u>\$ 8,750,000</u>

The fair value of variable rate bonds payable approximates their carrying amount because the current effective rates reflect market rates. The fair value of the letter of credit is not determinable due to the uncertainty of the timing of payment, if any.

Interest expense for the years ended June 30, 2007 and 2006 was \$319,672 and \$276,358, respectively.

Note 5 - Line of Credit

The Foundation has available an unsecured line of credit, payable upon demand, which allows the Foundation to borrow up to \$500,000, with interest at the bank's prime rate less 0.75 percentage points, an effective rate of 7.5 percent at June 30, 2007. There were no borrowings under this line of credit during the years ended June 30, 2007 and 2006.

Detroit Educational Television Foundation

Notes to Financial Statements June 30, 2007 and 2006

Note 6 - Leases

The Foundation leases space for its analog television antenna under a noncancelable operating lease agreement through February 28, 2009 at a monthly rent of \$8,500. In addition, the Foundation is required to pay applicable maintenance and insurance. The Foundation also leases space for a transmitting antenna and associated equipment to transmit their broadcasting signal in digital format. This is a noncancelable operating lease agreement through June 30, 2019 at variable future minimum monthly lease payments. Beginning in year four of the lease, payments increase based upon the U.S. Department of Commerce's National Consumer Price Index for all urban consumer U.S. city averages. The Foundation also leases other miscellaneous equipment with monthly payments ranging from \$110 to \$6,866 with various expirations dates through 2011. Future minimum payments under these leases with initial or remaining terms of one year or more are as follows:

Years Ending June 30	Amount
2008	\$ 361,796
2009	265,326
2010	125,732
2011	111,316
2012	106,354
Thereafter	744,480
Total	<u>\$ 1,715,004</u>

Antenna rent expense was approximately \$189,000 and \$186,000 for the years ended June 30, 2007 and 2006, respectively.

Note 7 - Pension Costs

The Foundation has a defined contribution retirement plan covering substantially all full-time employees. Annually, the Foundation contributes 10 percent of each participating employee's compensation to the retirement plan.

Certain employees also participate in a pension plan administered by the Directors Guild of America. The Foundation contributes 5.5 percent of each participating employee's compensation.

The Foundation contributed approximately \$512,000 and \$458,000 to the two plans during 2007 and 2006, respectively.

Detroit Educational Television Foundation

Notes to Financial Statements June 30, 2007 and 2006

Note 8 - Conditional Promises to Give

During the year ended June 30, 2005, the Foundation received a \$2,500,000 conditional promise. Revenue was recognized as the conditions of the promise were met, totaling \$1,000,000 and \$1,500,000 for the years ended June 30, 2007 and 2006, respectively. As of June 30, 2007, the Foundation had met all conditions of the promise to give and recognized and received the entire contribution.

During the year ended June 30, 2006, the Foundation received a \$1,000,000 conditional promise. For the years ended June 30, 2007 and 2006, \$100,000 and \$734,000, respectively, were recognized as revenue related to this promise. Of the \$834,000 recognized to date, \$634,000 has been received and \$200,000 was recorded as a pledge receivable as of June 30, 2007. To satisfy the conditions of the promise, the Foundation will need to raise \$166,000 in additional board member donations by December 31, 2009.

Note 9 - Commitments

The Foundation has entered into multiple agreements with artists in which the Foundation has rights to manufacture, market, and distribute the artists' products throughout the United States and Canada. The Foundation also is obligated to pay royalties to publishers as a requirement under the copyright act. The Foundation is required to pay such royalties based upon a percentage of proceeds derived from the sales of the products. At June 30, 2007 and 2006, the Foundation has accrued approximately \$1,152,000 and \$1,641,000, respectively, in royalties under these agreements.

Note 10 - Conditional Asset Retirement Obligations

The Foundation has an obligation related to the removal of asbestos within one building upon reconstruction, demolition, or abandonment by the Foundation. The Foundation has not recorded a liability related to the potential costs associated with the asbestos abatement, as the fair value of the liability cannot currently be reasonably estimated because the range of time over which the Foundation may settle the obligation is unknown and cannot be estimated. The Foundation currently has no plans or expectation of plans to undertake a major renovation that would require the removal of the asbestos or demolition of the Foundation. The Foundation will recognize a liability in the period when sufficient information is available to reasonably estimate the fair value of any such liability.

Additional Information



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To the Board of Directors
Detroit Educational Television Foundation

We have audited the financial statements of Detroit Educational Television Foundation as of June 30, 2007 and 2006. Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The statement of functional expenses, comparative balance sheet by broadcast entity, and comparative statement of activities and changes in net assets by broadcast entity are presented for the purpose of additional analysis and are not required parts of the basic financial statements. Such information has been subjected to the procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Plante & Moran, PLLC

October 4, 2007

Detroit Educational Television Foundation

Statement of Functional Expenses Year Ended June 30, 2007 (with comparative totals for year ended June 30, 2006)

	Program Services					Support Services		Total Expenses	
	Broadcast	Communications	Engineering	Production	Total	Administration	Fund-raising	2007	2006
Salaries	\$ 1,400,632	\$ 398,935	\$ 1,592,236	\$ 785,778	\$ 4,177,581	\$ 1,150,149	\$ 1,255,548	\$ 6,583,278	\$ 6,184,695
Employee benefits	309,578	88,137	306,386	132,775	836,876	212,239	326,360	1,375,475	1,305,175
Payroll taxes	115,166	31,089	147,606	49,202	343,063	72,135	101,564	516,762	425,820
Total salaries and related expenses	1,825,376	518,161	2,046,228	967,755	5,357,520	1,434,523	1,683,472	8,475,515	7,915,690
Product production	-	-	-	2,131,176	2,131,176	-	-	2,131,176	2,915,103
Royalties	2,362	-	-	1,563,333	1,565,695	-	-	1,565,695	2,105,586
Program acquisition	2,150,276	-	-	-	2,150,276	-	-	2,150,276	2,015,857
Program production	-	5,883	-	897,841	903,724	-	19,327	923,051	764,101
Professional services	63,605	-	1,047	838	65,490	159,436	708,477	933,403	925,852
Donor support	-	-	-	-	-	7,254	737,486	744,740	599,754
Direct mail	-	-	-	-	-	-	769,501	769,501	663,740
Heat, power, and light	77,684	27,803	333,691	32,709	471,887	50,045	86,679	608,611	566,360
Advertising and promotion	-	209,240	-	3,464	212,704	-	500	213,204	523,739
Information technology	12,328	29,792	11,137	7,747	61,004	8,127	287,016	356,147	437,214
Outreach and events	8,225	-	-	-	8,225	-	343,407	351,632	348,254
Maintenance and repairs	43,980	15,740	114,197	18,518	192,435	28,332	49,072	269,839	326,767
Public Broadcasting Service fees	231,938	-	-	-	231,938	-	-	231,938	225,221
Tower rental	-	-	189,089	-	189,089	-	-	189,089	185,609
Telephone	40,296	11,743	109,343	18,742	180,124	45,026	15,943	241,093	186,172
Interest and bond financing	-	-	-	-	-	463,645	-	463,645	392,081
Program guide	-	181,413	-	-	181,413	-	-	181,413	153,874
Legal	7,955	1,990	5,385	32,730	48,060	3,582	6,205	57,847	73,512
Credit card/Bank fees	-	-	-	-	-	896	143,786	144,682	131,839
Equipment	40,708	10,267	148,047	12,079	211,101	18,551	32,009	261,661	208,657
Security	52,885	14,498	39,229	17,056	123,668	1,706	-	125,374	130,577
Insurance	38,857	13,907	37,630	16,361	106,755	25,032	43,356	175,143	172,993
Postage and shipping	3,005	1,029	1,690	65,578	71,302	4,798	119,042	195,142	134,132
Travel	22,225	1,871	5,257	28,993	58,346	11,268	20,677	90,291	74,923
Property tax	-	-	-	-	-	34,173	-	34,173	142,516
Dues, books, and periodicals	14,462	469	1,940	115	16,986	37,110	1,132	55,228	52,254
Office supplies and printing	9,704	18,392	1,449	15,441	44,986	16,982	24,916	86,884	78,742
Audit	-	-	-	-	-	66,895	-	66,895	55,100
Personnel development	4,618	644	1,830	1,935	9,027	24,672	1,208	34,907	27,492
Miscellaneous	1,755	-	756	-	2,511	524	937	3,972	34,184
Depreciation and amortization	149,142	44,901	121,497	52,825	368,365	80,821	139,985	589,171	563,773
Total functional expenses	\$ 4,801,386	\$ 1,107,743	\$ 3,169,442	\$ 5,885,236	\$ 14,963,807	\$ 2,523,398	\$ 5,234,133	\$ 22,721,338	\$ 23,131,668

Detroit Educational Television Foundation

Comparative Balance Sheet by Broadcast Entity

	June 30, 2007			June 30, 2006		
	WTVS	WRCJ	Total	WTVS	WRCJ	Total
Assets						
Current Assets						
Cash and cash equivalents	\$ 1,715,155	\$ 907,449	\$ 2,622,604	\$ 2,649,621	\$ 858,028	\$ 3,507,649
Accounts receivable:						
Trade - Less allowance for doubtful accounts	1,296,267	23,735	1,320,002	1,752,926	40,484	1,793,410
Pledges receivable - Net	2,602,952	36,753	2,639,705	2,409,294	17,348	2,426,642
Investments	1,198,603	-	1,198,603	1,025,034	-	1,025,034
Intercompany	(567,458)	567,458	-	(147,333)	147,333	-
Inventory	398,127	-	398,127	497,547	-	497,547
Prepaid assets and other	270,077	18,721	288,798	287,827	21,547	309,374
Total current assets	6,913,723	1,554,116	8,467,839	8,474,916	1,084,740	9,559,656
Pledges Receivable - Long-term	4,090,916	-	4,090,916	4,389,562	-	4,389,562
Property and Equipment - Net	13,586,496	140,225	13,726,721	13,896,660	105,385	14,002,045
Other Assets	198,658	-	198,658	207,296	-	207,296
Total assets	\$ 24,789,793	\$ 1,694,341	\$ 26,484,134	\$ 26,968,434	\$ 1,190,125	\$ 28,158,559
Liabilities and Net Assets						
Current Liabilities						
Accounts payable	\$ 513,300	\$ 19,969	\$ 533,269	\$ 448,151	\$ 19,367	\$ 467,518
Current portion of long-term debt	1,380,000	-	1,380,000	3,000,000	-	3,000,000
Accrued liabilities and other	1,654,098	35,854	1,689,952	2,034,050	34,474	2,068,524
Total current liabilities	3,547,398	55,823	3,603,221	5,482,201	53,841	5,536,042
Long-term Debt - Net of current portion	7,370,000	-	7,370,000	7,370,000	-	7,370,000
Total liabilities	10,917,398	55,823	10,973,221	12,852,201	53,841	12,906,042
Net Assets						
Unrestricted	13,204,565	1,638,518	14,843,083	13,834,804	808,751	14,643,555
Temporarily restricted - Production funding, children's programming, and other	667,830	-	667,830	281,429	327,533	608,962
Total net assets	13,872,395	1,638,518	15,510,913	14,116,233	1,136,284	15,252,517
Total liabilities and net assets	\$ 24,789,793	\$ 1,694,341	\$ 26,484,134	\$ 26,968,434	\$ 1,190,125	\$ 28,158,559

Detroit Educational Television Foundation

Comparative Statement of Activities and Changes in Net Assets by Broadcast Entity

	Year Ended					
	June 30, 2007			June 30, 2006		
	WTVS	WRCJ	Total	WTVS	WRCJ	Total
Changes in Unrestricted Net Assets						
Revenue and support:						
Individual contributions	\$ 7,400,335	\$ 787,087	\$ 8,187,422	\$ 7,407,349	\$ 516,436	\$ 7,923,785
Retail product sales	4,805,296	-	4,805,296	6,323,086	-	6,323,086
Productions of local and national programs	1,867,059	-	1,867,059	1,602,205	-	1,602,205
Corporate contributions	1,509,307	187,273	1,696,580	856,909	138,122	995,031
Corporation for Public Broadcasting grant	1,422,639	-	1,422,639	1,510,049	-	1,510,049
Foundation contributions	80,400	1,110,682	1,191,082	72,850	1,348,217	1,421,067
Special events	452,846	-	452,846	266,061	-	266,061
Facilities rental	343,971	-	343,971	205,953	-	205,953
Capital campaign contributions	2,269,991	-	2,269,991	3,572,446	-	3,572,446
Net realized and unrealized gain on investments	173,569	-	173,569	102,615	-	102,615
Interest income - Unrestricted	28,077	22,790	50,867	62,482	11,294	73,776
Gain on sale of fixed assets	-	-	-	296,748	-	296,748
Miscellaneous income	19,769	643	20,412	4,674	-	4,674
Total revenue and support	20,373,259	2,108,475	22,481,734	22,283,427	2,014,069	24,297,496
Net assets released from restrictions	111,599	327,533	439,132	54,000	-	54,000
Total revenue, support, and net assets released from restrictions	20,484,858	2,436,008	22,920,866	22,337,427	2,014,069	24,351,496
Expenses:						
Program services:						
Communications	1,009,448	98,295	1,107,743	1,509,085	79,527	1,588,612
Production	5,885,236	-	5,885,236	7,068,238	-	7,068,238
Engineering	3,169,442	-	3,169,442	3,296,537	-	3,296,537
Broadcast	3,617,475	1,183,911	4,801,386	2,729,889	884,772	3,614,661
Total program services	13,681,601	1,282,206	14,963,807	14,603,749	964,299	15,568,048
Support services:						
Administration and general	2,496,116	27,282	2,523,398	2,667,490	40,544	2,708,034
Fund-raising	4,937,380	296,753	5,234,133	4,655,111	200,475	4,855,586
Total expenses	21,115,097	1,606,241	22,721,338	21,926,350	1,205,318	23,131,668
Increase (Decrease) in Unrestricted Net Assets	(630,239)	829,767	199,528	411,077	808,751	1,219,828
Changes in Temporarily Restricted Net Assets						
Contributions	498,000	-	498,000	111,599	327,533	439,132
Net assets released from restrictions	(111,599)	(327,533)	(439,132)	(54,000)	-	(54,000)
Increase (Decrease) in Temporarily Restricted Net Assets	386,401	(327,533)	58,868	57,599	327,533	385,132
Increase (Decrease) in Net Assets	(243,838)	502,234	258,396	468,676	1,136,284	1,604,960
Net Assets - Beginning of year	14,116,233	1,136,284	15,252,517	13,647,557	-	13,647,557
Net Assets - End of year	\$ 13,872,395	\$ 1,638,518	\$ 15,510,913	\$ 14,116,233	\$ 1,136,284	\$ 15,252,517