CHEYENNE MOUNTAIN PUBLIC BROADCAST HOUSE, INC. AND AFFILIATE

Consolidated Financial Statements

For the Years Ended December 31, 2017 and 2016

WAUGH & GOODWIN, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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WAUGH & GOODWIN, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cheyenne Mountain Public Broadcast
House, Inc. and affiliate
Colorado Springs, Colorado

We have audited the accompanying consolidated financial statements of Cheyenne Mountain Public Broadcast House, Inc. (a nonprofit organization) and CRN Services, Inc. (a corporation), which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cheyenne Mountain Public Broadcast House, Inc. and CRN Services, Inc. as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Waugh & Goodwin, LLP

Colorado Springs, Colorado
April 9, 2018

CHEYENNE MOUNTAIN PUBLIC BROADCAST HOUSE, INC.
AND AFFILIATE
Consolidated Statements of Financial Position
December 31, 2017 and 2016

ASSETS

	2017	2016
CURRENT ASSETS:		
Cash and cash equivalents	$ 454,696	$ 295,828
Accounts and pledges receivable, net	8,985	9,710
Grants receivable	49,259	32,222
Prepaid expenses	9,597	11,036
Total current assets	522,537	348,796
PROPERTY AND EQUIPMENT:		
Equipment	666,650	659,201
Jazz equipment	17,427	
Building and improvements	158,844	158,844
Land	51,600	51,600
Less accumulated depreciation	(649,190)	(595,714)
Property and equipment, net	245,331	273,931
LONG TERM INVESTMENTS	478,235	384,994
ENDOWMENT AND QUASI-ENDOWMENT	220,503	195,346
TOTAL ASSETS	$ 1,466,606	$ 1,203,067

LIABILITIES AND NET ASSETS

	2017	2016
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 64,317	$ 35,522
Deferred revenue	53,391	31,564
Total current liabilities	117,708	67,086
NET ASSETS:		
Unrestricted	618,960	465,790
Unrestricted - board designated	413,412	417,055
Temporarily restricted	307,061	243,871
Permanently restricted	9,465	9,265
Total net assets	1,348,898	1,135,981
TOTAL LIABILITIES AND NET ASSETS	$ 1,466,606	$ 1,203,067

See Notes to Consolidated Financial Statements

CHEYENNE MOUNTAIN PUBLIC BROADCAST HOUSE, INC.
AND AFFILIATE
Consolidated Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2017 and 2016

	2017				2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
SUPPORT AND REVENUE:								
Contributions	$ 596,463		$ 200	$ 596,663	$ 511,546	$ 600	$ 400	$ 512,546
Program service revenue	213,277	97,220		310,497	200,283	11,220		211,503
Corporation for Public Broadcasting grant		97,530		97,530		107,407		107,407
Grants	87,875			87,875	6,199			6,199
Investment income	53,486			53,486	23,940			23,940
Program service revenue - in kind	50,350			50,350	72,934			72,934
CRN - service revenue	50,000			50,000				
Critical karaoke	5,580			5,580				
Miscellaneous income	3,543			3,543	2,649			2,649
Special events, net of expenses of $67,979 in 2017 and $100,485 in 2016	(4,541)			(4,541)	10,665			10,665
Satisfied program restrictions	131,560	(131,560)			129,893	(129,893)		
Total support and revenue	1,187,593	63,190	200	1,250,983	958,109	(10,666)	400	947,843
EXPENSES:								
Program services:								
Broadcasting	506,847			506,847	231,652			231,652
Programming and production	181,902			181,902	445,773			445,773
Jazz	46,256			46,256				
Total program services	735,005			735,005	677,425			677,425
Supporting services:								
Fundraising and membership development	155,646			155,646	119,710			119,710
General and administrative	147,415			147,415	127,990			127,990
Total supporting services	303,061			303,061	247,700			247,700
Total expenses	1,038,066			1,038,066	925,125			925,125
CHANGE IN NET ASSETS	149,527	63,190	200	212,917	32,984	(10,666)	400	22,718
NET ASSETS, beginning of year	882,845	243,871	9,265	1,135,981	849,861	254,537	8,865	1,113,263
NET ASSETS, end of year	$ 1,032,372	$ 307,061	$ 9,465	$ 1,348,898	$ 882,845	$ 243,871	$ 9,265	$ 1,135,981

See Notes to Consolidated Financial Statements

CHEYENNE MOUNTAIN PUBLIC BROADCAST HOUSE, INC.

AND AFFILIATE

Consolidated Statement of Functional Expenses

For the Year Ended December 31, 2017

	Broadcasting	Programming and Production	Jazz	Total Program Services	Fundraising and Membership Development	General and Administrative	Total
Bad debt expense	$	$ 270	$	$ 270	$	$	$ 270
Bank charges & credit card fees		3,433	378	3,811	10,311	76	14,198
Corporation for Public Broadcasting	32,584	5,236	921	38,741	167		38,908
Contract labor	192	298	12,040	12,530	249	4,898	17,677
Critical karaoke distribution		5,580		5,580			5,580
Depreciation	50,004	2,500		52,504			52,504
Engineering	8,131			8,131			8,131
Facility maintenance	955		380	1,335		527	1,862
In-kind items from vendors		50,350		50,350			50,350
Insurance						13,385	13,385
Investment fees						4,102	4,102
Licenses & taxes	332		79	411		9,579	9,990
Memberships, dues, & subscriptions	1,416	1,041		2,457	1,649	951	5,057
Office expense	6,076	1,017	624	7,717	1,660	8,684	18,061
Other expenses	1,642	1,687	660	3,989	1,269	1,188	6,446
Printing and postage	152			152	10,300	196	10,648
Production	180	15,034		15,214			15,214
Professional fees	203	122	262	587		12,318	12,905
Promotional expense	162	2,032	510	2,704	29,065	9	31,778
Rent and occupancy	11,873			11,873			11,873
Salaries, payroll taxes & benefits	307,864	92,489	22,528	422,881	98,438	87,969	609,288
Training & continuing education					100		100
Translators			5,743	5,743			5,743
Transmitter	66,466	813		67,279			67,279
Utilities & telephone	10,950			10,950		3,413	14,363
Webstreaming	7,665		2,131	9,796	2,438	120	12,354
	$ 506,847	$ 181,902	$ 46,256	$ 735,005	$ 155,646	$ 147,415	$ 1,038,066
	48.83%	17.52%	4.46%	70.81%	14.99%	14.20%	100.00%

See Notes to Consolidated Financial Statements

CHEYENNE MOUNTAIN PUBLIC BROADCAST HOUSE, INC.

Statement of Functional Expenses

For the Year Ended December 31, 2016

	Programming and Production	Broadcasting	Total Program Services	General and Administrative	Fundraising and Membership Development	Total
Bank charges and credit card fees	$	$	$	$ 209	$ 12,394	$ 12,603
Contract labor				3,842		3,842
Corporation for Public Broadcasting	51,381		51,381			51,381
Depreciation	50,077		50,077			50,077
Engineering	7,153		7,153			7,153
Facility maintenance				1,856		1,856
In-kind items from vendors	72,934		72,934			72,934
Insurance				9,054		9,054
Investment fees				3,681		3,681
Licenses	3,166		3,166	77		3,243
Office expense	7,549		7,549	5,794		13,343
Other expenses	573		573	1,532	1,750	3,855
Printing and postage	582		582	83	23,882	24,547
Production	14,046		14,046			14,046
Professional fees				7,308		7,308
Promotional expense	6,885		6,885		6,806	13,691
Rent and occupancy		12,378	12,378			12,378
Salaries, payroll taxes and benefits	231,427	149,757	381,184	85,575	74,878	541,637
Translator		429	429			429
Transmitter		62,681	62,681			62,681
Utilities and telephone		1,604	1,604	8,979		10,583
Webstreaming		4,803	4,803			4,803
	$ 445,773	$ 231,652	$ 677,425	$ 127,990	$ 119,710	$ 925,125
	48.18%	25.04%	73.22%	13.83%	12.95%	100.00%

See Notes to Consolidated Financial Statements

CHEYENNE MOUNTAIN PUBLIC BROADCAST HOUSE, INC.
AND AFFILIATE

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 212,917	$ 22,718
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	52,504	50,077
Contributions restricted for long-term purposes	(200)	(400)
Net unrealized (gains) losses on investments	(41,845)	(14,289)
Decrease (increase) in assets:		
Accounts and pledges receivable, net	725	(283)
Grants receivable	(17,037)	(3,440)
Prepaid expenses	1,439	4,282
Increase in liabilities:		
Accounts payable and accrued liabilities	28,795	11,038
Deferred revenue	21,827	18,564
Total adjustments	46,208	65,549
Net cash provided by operating activities	259,125	88,267
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	(24,875)	(14,267)
Increase in endowment and quasi-endowment	(3,955)	(3,186)
Purchase of investments	(71,627)	(3,020)
Net cash used by investing activities	(100,457)	(20,473)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions restricted for long-term purposes	200	400
Net cash provided by financing activities	200	400
NET INCREASE IN CASH	158,868	68,194
CASH AND CASH EQUIVALENTS, beginning of year	295,828	227,634
CASH AND CASH EQUIVALENTS, end of year	$ 454,696	$ 295,828

See Notes to Consolidated Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organizations

Cheyenne Mountain Public Broadcast House, Inc. (the Corporation) was incorporated in the state of Colorado in 1977 as a not-for-profit corporation. The Corporation is organized exclusively for educational purposes through the operation of a non-commercial educational radio broadcasting station presenting educational, cultural and public interest programs in the state of Colorado. The Corporation is a trusted source of quality classical music and arts content for the people of Colorado Springs and Southern Colorado. We are dedicated to a vital cultural community by sharing the artistic voices of Colorado Springs and the world, through broadcasting, digital platforms, and community engagement. CRN Services, Inc. (CRN) was incorporated in the state of Colorado, February 23, 2017, and is wholly owned by Cheyenne Mountain Public Broadcast House, Inc.

Principles of Consolidation

The accompanying consolidated financial statements include the assets, liabilities, net assets, and activities of Cheyenne Mountain Public Broadcast House, Inc. and CRN Services, Inc. collectively referred to as the "Corporation". All significant intercompany transactions and balances have been eliminated in consolidation.

Basis of Accounting

The accounting records of Cheyenne Mountain Public Broadcast House, Inc. are maintained in conformity with the principles of nonprofit accounting. The accompanying financial statements have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents

Cash and cash equivalents consist of the Corporation's checking and savings accounts.

Investments

Investments are carried at market value. Realized and unrealized gains and losses are reflected in the statement of activities and are available for current operations.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Contributions

Contributions are recorded when received as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. When a donor restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as satisfied program restrictions. Gifts of land, buildings and equipment are reported as unrestricted support unless explicit donor restrictions specify how the donated assets must be used. Restrictions met in the same period are reported as unrestricted support.

Accounts and Pledges Receivable

As of December 31, 2017 and 2016, the Corporation had net accounts and pledges receivable of $8,985 and $9,710, respectively. The pledges are scheduled to be received by the Corporation during the next year. At December 31, 2017 and 2016, accounts and pledges receivable have been recorded net of an allowance for doubtful accounts of $0 and $550, respectively, based on management's expectation for collection.

Property and Equipment

Property and equipment are recorded at cost when purchased or fair market value if donated. Depreciation of equipment is provided on a straight-line basis over estimated useful lives of three to 35 years. The Corporation capitalizes acquisitions of property and equipment with an initial cost in excess of $2,500 and a useful life of greater than one year. Expenditures for maintenance and repairs that materially prolong the useful life are capitalized if they meet these criteria.

During the year ended December 31, 2010, the National Telecommunications and Information Administration awarded funds to the Corporation under the Public Telecommunications Facilities Program (PTFP) to be used for equipment and related costs. As a result of the funding, the Federal Government retains a lien against the purchased equipment for a period of ten years commencing September 30, 2010. During this time, the Federal Government retains a priority reversionary interest in the equipment. The amount of equipment purchased with these funds was $114,551. Depreciation expense for the years ended December 31, 2017 and 2016, was $52,504 and $50,077, respectively.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Income Taxes

The Corporation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income tax. The Corporation does not engage in activities not directly related to its tax-exempt purpose which would be subject to income tax. Accordingly, no income tax provision has been recorded. CRN qualifies as a taxable corporation, and a provision for federal and state taxes in the amount of $9,472 has been recorded.

The Corporation's form 990, Return of Organization Exempt from Income Tax, and CRN's form 1120, U.S. Corporation, Income Tax Return, are subject to examination by various taxing authorities, generally for three years after the date filed. Management of the Corporation and CRN believe that they do not have any uncertain tax positions that are material to the financial statements.

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 the reported amounts of assets and liabilities, the disclosure of contingent liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

Donated Services

The Corporation recognizes donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation.

A substantial number of volunteers donated time to the Corporation's program services and its fundraising activities; however, the estimated value was not recorded because they did not meet the criteria described above.

Barter Transactions

The Corporation records revenue and expense for barter transactions based on the estimated fair value of goods and services exchanged.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Corporation for Public Broadcasting Community Service Grants

The Corporation for Public Broadcasting (CPB) is a private, nonprofit grantmaking 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 the 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.

The CSGs are reported in the accompanying financial statements as increases in temporarily restricted net assets until satisfaction of the time and purpose restrictions, after which they are reported as a release from temporarily restricted net assets and an increase in unrestricted net assets.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

B. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through April 9, 2018, the date that the financial statements were available to be issued.

C. FAIR VALUE MEASUREMENTS

The Corporation applies Generally Accepted Accounting Principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP establishes 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 or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Corporation has the ability to access at the measurement date.

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following tables present assets that are measured at fair value on a recurring basis at December 31, 2017 and 2016:

C. FAIR VALUE MEASUREMENTS - Continued

Assets at Fair Value as of December 31, 2017

	Level 1	Level 2	Level 3	Total
Money market funds	$ 205,099	$	$	$ 205,099
PPCF pooled funds		493,639		493,639
	$ 205,099	$ 493,639	$	$ 698,738

Assets at Fair Value as of December 31, 2016

	Level 1	Level 2	Level 3	Total
Money market funds	$ 205,477	$	$	$ 205,477
PPCF pooled funds		374,863		374,863
	$ 205,477	$ 374,863	$	$ 580,340

The PPCF pooled funds consists of units in a pooled portfolio managed by Pikes Peak Community Foundation. Some investments are exposed to various risks that may cause their reported fair values to fluctuate from period to period and could materially affect the recorded amount of investments in the Corporation's financial statements. Though the market values of investments are subject to fluctuation, management and the investment committee believe that the investment policy is prudent for the long-term welfare of the Corporation.

Investment income for the years ended December 31, 2017 and 2016, consist of the following:

	2017	2016
Interest and dividends	$ 11,641	$ 9,651
Realized and unrealized gains	41,845	14,289
	$ 53,486	$ 23,940

D. ENDOWMENT AND QUASI-ENDOWMENT

The Corporation has adopted investment and spending policies based on the Colorado Uniform Prudent Management of Institutional Funds Act (UPMIFA). As a result of the Corporation's interpretation of UPMIFA, and in accordance with donor restrictions, contributions to this fund are classified as permanently restricted net assets. The historic dollar value of those contributions must be maintained intact. Income from the fund is classified with Board designated quasi-endowment net assets until such time as the Board authorizes use of these funds to support operations or capital requirements.

These funds are held and invested in a pooled fund at Pikes Peak Community Foundation, an unrelated not-for-profit organization, pursuant to the Corporation's spending objectives of subjecting the fund to low investment risk and providing its operations with current income.

	Board Designated Quasi-Endowment	Permanently Restricted	Total
Endowment net assets, January 1, 2016	$ 176,055	$ 8,865	$ 184,920
Contributions		400	400
Investment gain	11,891		11,891
Expenditures	(1,865)		(1,865)
Endowment net assets, December 31, 2016	186,081	9,265	195,346
Contributions		200	200
Investment gain	27,044		27,044
Expenditures	(2,087)		(2,087)
Endowment net assets, December 31, 2017	$ 211,038	$ 9,465	$ 220,503

E. BOARD DESIGNATED NET ASSETS

The Board of Directors of the Corporation has designated a portion of the unrestricted net assets for the following purposes:

	2017	2016
Property and equipment	$ 202,374	$ 230,974
Quasi-endowment	211,038	186,081
	$ 413,412	$ 417,055

F. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	2017	2016
PTFP Equipment	$ 114,551	$ 114,551
Corporation for Public Broadcasting	97,011	115,690
ENT Center Series	83,025	
Classics for Kids	12,474	13,357
Digitization		273
	$ 307,061	$ 243,871

As mentioned in Note A, the Corporation acquired equipment through a grant from PTFP during the year ended December 31, 2010. The terms of this grant required the Corporation to provide matching funds. The Federal Government maintains a lien on this equipment for a period of ten years, which will expire September 30, 2020.

Net assets are released from donor restrictions by incurring expenses that satisfy the restricted purpose. During the years ended December 31, 2017 and 2016, temporarily restricted net assets were released from restriction for the following programs:

	2017	2016
Corporation for Public Broadcasting	$ 116,209	$ 118,151
Classic for Kids	10,603	6,569
ENT Center Series	4,475	
Digitization	273	5,173
	$ 131,560	$ 129,893

G. PERMANENTLY RESTRICTED NET ASSETS

At December 31, 2017 and 2016, net assets in the amount of $9,465 and $9,265, respectively, are restricted in perpetuity as part of the endowment account. As discussed in Note D, earnings on these net assets are available to be used for general operations or capital improvements.

H. OPERATING LEASES

The Corporation leases the premises at the location of its transmitter equipment under a noncancellable operating lease that expires October 2018. Rent expense on the lease amounted to $49,732 and $48,158 during the years ended December 31, 2017 and 2016, respectively.

The Corporation entered into an operating lease for a tower site under an operating lease which commenced in September 2007 and has an annual escalation clause under which the rent increases by 4% on the anniversary date of the lease. The Corporation has the option to renew this lease for two terms of five years each. Rent expense on the lease amounted to $5,713 and $6,978 during the years ended December 31, 2017 and 2016, respectively. During the year ended December 31, 2017, the Corporation has decided not to renew this lease.

The Corporation also entered into an operating lease for a tower site under an operating lease which commenced in May 2015. The Corporation has the option to renew this lease for an additional five years. Rent expense on the lease amounted to $3,600 during both years ended December 31, 2017 and 2016.

The Corporation entered into a tower lease agreement under an operating lease which commenced December 2017. The initial term is five years. Rent expense on the lease amounted to $1,000 for the year ended December 31, 2017.

The Corporation entered into an operating lease for a copier under an operating lease which commenced in August 2016. Rent expense on the leases amounted to 2,631 during the year ended December 31, 2017.

Future minimum lease payments under these leases are:

2018	$ 53,072
2019	10,922
2020	10,592
2021	6,000
2022	6,000

I. RETIREMENT PLAN

The Corporation has adopted a SIMPLE IRA retirement plan that covers all employees meeting specific age and length of service requirements. Employees may make elective contributions to the plan. The Corporation matches each employee's contribution up to 2% of their earnings.

For the years ended December 31, 2017 and 2016, employer contributions to the plan amounted to $4,458 and $2,954 respectively.

J. COMMITMENTS AND CONTINGENCIES

During the year ended December 31, 2017, the Corporation has entered into a cancellable agreement to potentially provide classical programming to others through CRN in future years.