

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning 07/01, 2007, and ending 06/30/2008

B Check if applicable: Address change, Name change, Initial return, Termination, Amended return, Application pending. C Name of organization: SESAME WORKSHOP. D Employer identification number: 13-2655731. E Telephone number: (212) 595-3456. F Accounting method: Accrual.

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Website: WWW.SESAMEWORKSHOP.ORG

J Organization type (check only one) [X] 501(c)(3) [] 4947(a)(1) or [] 527

K Check here [] if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000.

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? [] Yes [X] No. H(b) If "Yes," enter number of affiliates. H(c) Are all affiliates included? [] Yes [] No. H(d) Is this a separate return filed by an organization covered by a group ruling? [] Yes [X] No.

I Group Exemption Number. M Check [] if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 148,643,960.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Table with 21 rows and 4 columns. Rows 1-12: Revenue. Rows 13-17: Expenses. Rows 18-21: Net Assets. Includes sub-rows for contributions, special events, and sales of inventory.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include 22a-22b, 23-24, 25a-25c, 26-43, and 44 Total functional expenses.

Joint Costs. Check [] if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? [] Yes [X] No
If "Yes," enter (i) the aggregate amount of these joint costs \$; (ii) the amount allocated to Program services \$; (iii) the amount allocated to Management and general \$; and (iv) the amount allocated to Fundraising \$

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► <u>SEE STATEMENT 9</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a <u>DEVELOPMENT AND PRODUCTION OF EDUCATIONAL MEDIA INCLUDING 26 HOURS OF DOMESTIC SESAME STREET TELEVISION AND 394 HOURS OF INTERNATIONAL CO-PRODUCTIONS, TARGETED OUTREACH INITIATIVES SUPPORTED BY RESEARCH CONDUCTED TO MEASURE APPEAL AND IMPACT.</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	48,781,120.
b <u>SEE STATEMENT 10</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	48,060,263.
c <u>GLOBAL PRODUCT LICENSING: THE LICENSING OF INTANGIBLE COPYRIGHTS AND TRADEMARKS; ADMINISTERS AND CONTROLS THE QUALITY OF EDUCATIONAL PLAYTHINGS AND ACTIVITY ITEMS THAT ARE PRINCIPALLY BASED ON OR RELATED TO SESAME STREET AND ITS CHARACTERS.</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	10,327,173.
d <u>PUBLIC AWARENESS: RESPONSIBLE FOR THE PUBLIC INFORMATION AND PROMOTIONAL ACTIVITIES, WHICH BUILD VIEWERSHIP FOR OUR EDUCATIONAL PRODUCTS AND SERVICES AS WELL AS SESAME WORKSHOP RELATIONS WITH DISTRIBUTORS OF ITS EDUCATIONAL PRODUCTS AND SERVICES.</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	4,227,062.
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	111,395,618.

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	2,367,573.	45	NONE
	46 Savings and temporary cash investments	15,714,434.	46	13,016,413.
	47a Accounts receivable	47a 36,188,931.		
	b Less: allowance for doubtful accounts	47b 1,406,592.	22,393,487.	47c 34,782,339.
	48a Pledges receivable	48a 115,486.		
	b Less: allowance for doubtful accounts	48b	255,986.	48c 115,486.
	49 Grants receivable		8,580,313.	49 9,874,574.
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			50b
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use		1,328,416.	52 1,374,432.
	53 Prepaid expenses and deferred charges		16,056,386.	53 18,932,576.
	54a Investments - publicly-traded securities <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		65,540,376.	54a 57,830,692.
	b Investments - other securities (attach schedule) <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		79,694,626.	54b 83,660,066.
55a Investments - land, buildings, and equipment: basis	55a	STMT 11		
b Less: accumulated depreciation (attach schedule)	55b		55c	
56 Investments - other (attach schedule)			56	
57a Land, buildings, and equipment: basis	57a 22,612,955.			
b Less: accumulated depreciation (attach schedule)	57b 11,699,163.	8,282,258.	57c 10,913,792.	
58 Other assets, including program-related investments (describe <input type="checkbox"/> STMT 12)		401,211,383.	58 470,702,376.	
59 Total assets (must equal line 74). Add lines 45 through 58		621,425,238.	59 701,202,746.	
Liabilities	60 Accounts payable and accrued expenses	31,872,463.	60	31,490,329.
	61 Grants payable		61	
	62 Deferred revenue	27,110,781.	62	31,349,136.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe <input type="checkbox"/> STMT 13)		249,598,050.	65 301,937,042.
66 Total liabilities. Add lines 60 through 65		308,581,294.	66 364,776,507.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	305,849,944.	67	324,613,847.
	68 Temporarily restricted	6,994,000.	68	11,812,392.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)		312,843,944.	73 336,426,239.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		621,425,238.	74 701,202,746.	

