

WICN PUBLIC RADIO, INC.

**FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

**AND
INDEPENDENT AUDITORS' REPORT**

WICN PUBLIC RADIO, INC.

JUNE 30, 2025 AND 2024

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Independent Auditors' Report

Board of Directors
WICN Public Radio, Inc.

Opinion

We have audited the accompanying financial statements of WICN Public Radio, Inc. (the Station), which comprise the statements of financial position as of June 30, 2025 and 2024, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WICN Public Radio, Inc. as of June 30, 2025 and 2024, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of WICN Public Radio, Inc. 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.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt that WICN Public Radio, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted auditing standards 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

M Love & Associates, LLC

Worcester, Massachusetts
October 31, 2025

WICN PUBLIC RADIO, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2025 AND 2024

| <u>ASSETS</u> | 2025 | | | 2024 | | |
|---|----------------------------------|-------------------------------|--------------------------|----------------------------------|-------------------------------|--------------------------|
| | WITHOUT DONOR RESTRICTIONS | WITH DONOR RESTRICTIONS | TOTAL | WITHOUT DONOR RESTRICTIONS | WITH DONOR RESTRICTIONS | TOTAL |
| CURRENT ASSETS | | | | | | |
| Cash and cash equivalents | \$ 365,188 | \$ - | \$ 365,188 | \$ 318,871 | \$ - | \$ 318,871 |
| Investments | 37,897 | - | 37,897 | 33,345 | - | 33,345 |
| Accounts receivable | 500 | - | 500 | 1,100 | - | 1,100 |
| Grants and pledges receivable, net | 6,994 | - | 6,994 | 4,723 | - | 4,723 |
| Prepaid expenses | 2,060 | - | 2,060 | 1,416 | - | 1,416 |
| Total current assets | <u>412,639</u> | <u>-</u> | <u>412,639</u> | <u>359,955</u> | <u>-</u> | <u>359,955</u> |
| PROPERTY, PLANT, AND EQUIPMENT | | | | | | |
| Leasehold improvements | 519,273 | - | 519,273 | 507,528 | - | 507,528 |
| Tower signal expansion | 82,880 | - | 82,880 | 82,880 | - | 82,880 |
| Equipment | 289,325 | - | 289,325 | 278,225 | - | 278,225 |
| Less: Accumulated depreciation and amortization | (848,355) | - | (848,355) | (800,832) | - | (800,832) |
| Net property, plant, and equipment | <u>43,123</u> | <u>-</u> | <u>43,123</u> | <u>67,801</u> | <u>-</u> | <u>67,801</u> |
| OPERATING RIGHT OF USE ASSET, NET | | | | | | |
| | 121,566 | - | 121,566 | 156,721 | - | 156,721 |
| Total assets | <u><u>\$ 577,328</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 577,328</u></u> | <u><u>\$ 584,477</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 584,477</u></u> |
| LIABILITIES AND NET ASSETS | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Accounts payable and accrued liabilities | \$ 8,631 | \$ - | \$ 8,631 | \$ 4,425 | \$ - | \$ 4,425 |
| Deferred revenue | 26,840 | - | 26,840 | 12,488 | - | 12,488 |
| Current portion of operating lease liability | <u>37,523</u> | <u>-</u> | <u>37,523</u> | <u>41,647</u> | <u>-</u> | <u>41,647</u> |
| Total current liabilities | <u>72,994</u> | <u>-</u> | <u>72,994</u> | <u>58,560</u> | <u>-</u> | <u>58,560</u> |
| LONG-TERM LIABILITIES | | | | | | |
| Operating lease liability, net of current portion | 84,043 | - | 84,043 | 115,074 | - | 115,074 |
| NET ASSETS | | | | | | |
| | <u>420,291</u> | <u>-</u> | <u>420,291</u> | <u>410,843</u> | <u>-</u> | <u>410,843</u> |
| Total liabilities and net assets | <u><u>\$ 577,328</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 577,328</u></u> | <u><u>\$ 584,477</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 584,477</u></u> |

See independent auditors' report and notes to financial statements.

WICN PUBLIC RADIO, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
 YEARS ENDED JUNE 30, 2025 AND 2024

| | 2025 | | | 2024 | | |
|---|-------------------------|-------------------------------|-------------------|-------------------------|-------------------------------|-------------------|
| | WITHOUT RESTRICTIONS | WITH DONOR RESTRICTIONS | TOTAL | WITHOUT RESTRICTIONS | WITH DONOR RESTRICTIONS | TOTAL |
| | | | | | | |
| SUPPORT AND REVENUE | | | | | | |
| Donated goods and services | \$ 137,394 | \$ - | \$ 137,394 | \$ 155,168 | \$ - | \$ 155,168 |
| Corporation for Public Broadcasting grant | 99,460 | - | 99,460 | 91,429 | - | 91,429 |
| Underwriting | 76,005 | - | 76,005 | 86,000 | - | 86,000 |
| Other grants | 50,500 | 29,000 | 79,500 | 43,825 | 24,000 | 67,825 |
| Special events | 54,822 | - | 54,822 | 57,482 | - | 57,482 |
| Other income | 20,580 | - | 20,580 | 19,250 | - | 19,250 |
| | 438,761 | 29,000 | 467,761 | 453,154 | 24,000 | 477,154 |
| Contributions | | | | | | |
| Individuals | 300,073 | - | 300,073 | 279,308 | - | 279,308 |
| Total contributions | 300,073 | - | 300,073 | 279,308 | - | 279,308 |
| Net assets released from restrictions | 29,000 | (29,000) | - | 24,000 | (24,000) | - |
| Total support and revenue | 767,834 | - | 767,834 | 756,462 | - | 756,462 |
| EXPENSES | | | | | | |
| Programming | 373,970 | - | 373,970 | 392,321 | - | 392,321 |
| Management and general | 192,158 | - | 192,158 | 174,961 | - | 174,961 |
| Fundraising | 192,258 | - | 192,258 | 197,981 | - | 197,981 |
| Total expenses | 758,386 | - | 758,386 | 765,263 | - | 765,263 |
| Changes in net assets | | | | | | |
| NET ASSETS, beginning of year | 410,843 | - | 410,843 | (8,801) | - | (8,801) |
| NET ASSETS, end of year | \$ 420,291 | \$ - | \$ 420,291 | \$ 410,843 | \$ - | \$ 410,843 |

See independent auditors' report and notes to financial statements.

WICN PUBLIC RADIO, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2025 AND 2024

| | 2025 | | | 2024 | | | | |
|---|-------------------|---------------------------|-------------------|-------------------|-------------------|---------------------------|-------------------|-------------------|
| | PROGRAMMING | MANAGEMENT AND GENERAL | FUNDRAISING | TOTAL | PROGRAMMING | MANAGEMENT AND GENERAL | FUNDRAISING | TOTAL |
| PERSONNEL AND RELATED EXPENSES | | | | | | | | |
| Salaries and wages | \$ 175,603 | \$ 77,308 | \$ 102,824 | \$ 355,735 | \$ 163,194 | \$ 83,201 | \$ 120,819 | \$ 367,214 |
| Employee benefits and payroll taxes | 18,724 | 12,339 | 16,947 | 48,010 | 31,803 | 2,122 | 7,791 | 41,716 |
| Total personnel and related expenses | <u>194,327</u> | <u>89,647</u> | <u>119,771</u> | <u>403,745</u> | <u>194,997</u> | <u>85,323</u> | <u>128,610</u> | <u>408,930</u> |
| OPERATING EXPENSES | | | | | | | | |
| Rent | 20,372 | 27,482 | 17,183 | 65,037 | 26,609 | 13,676 | 18,922 | 59,207 |
| Professional services | 21,468 | 36,422 | - | 57,890 | 29,146 | 33,322 | - | 62,468 |
| Licenses and fees | 50,268 | 1,958 | 3,618 | 55,844 | 43,801 | 922 | 2,867 | 47,590 |
| Special event expenses | 35,781 | - | 1,566 | 37,347 | 36,754 | 130 | 2,077 | 38,561 |
| Supplies | 2,702 | 2,339 | 22,734 | 27,775 | 748 | 2,070 | 31,586 | 34,404 |
| Advertising | 15,822 | - | - | 15,822 | 27,673 | - | - | 27,673 |
| Insurance | 5,486 | 3,615 | 4,966 | 14,067 | 5,921 | 6,838 | - | 12,59 |
| Office expense | 2,039 | 1,015 | 10,990 | 14,044 | 2,070 | 2,700 | 8,360 | 13,130 |
| Utilities and telephone | 4,150 | 2,734 | 3,756 | 10,640 | 4,905 | 5,664 | - | 10,569 |
| Bank fees and interest | - | 623 | 7,643 | 8,266 | 25 | 418 | 5,559 | 6,002 |
| Other | 170 | 185 | 31 | 386 | 119 | - | - | 119 |
| Total operating expenses | <u>158,258</u> | <u>76,373</u> | <u>72,487</u> | <u>307,118</u> | <u>177,771</u> | <u>65,740</u> | <u>69,371</u> | <u>312,882</u> |
| Total expenses before depreciation and amortization | <u>352,585</u> | <u>166,020</u> | <u>192,258</u> | <u>710,863</u> | <u>372,768</u> | <u>151,063</u> | <u>197,981</u> | <u>721,812</u> |
| DEPRECIATION AND AMORTIZATION | | | | | | | | |
| Total expenses | <u>\$ 373,970</u> | <u>\$ 192,158</u> | <u>\$ 192,258</u> | <u>\$ 758,386</u> | <u>\$ 392,321</u> | <u>\$ 174,961</u> | <u>\$ 197,981</u> | <u>\$ 765,263</u> |

See independent auditors' report and notes to financial statements.

WICN PUBLIC RADIO, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

| | 2025 | 2024 |
|--|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Changes in net assets | \$ 9,448 | \$ (8,801) |
| Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities | | |
| Depreciation and amortization | 47,523 | 43,451 |
| Increase in investments, net | (4,052) | (6,888) |
| (Increase) decrease in operating assets | | |
| Accounts receivable | 600 | 3,485 |
| Grants and pledges receivable, net | (2,271) | 890 |
| Prepaid expenses | (644) | (314) |
| Increase (decrease) in operating liabilities | | |
| Accounts payable and accrued liabilities | 4,206 | (1,196) |
| Deferred revenue | 14,352 | (15,481) |
| Net cash provided by (used in) operating activities | <u>69,162</u> | <u>15,146</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Expenditures for property, plant, and equipment | <u>(22,845)</u> | <u>(9,070)</u> |
| Net cash provided by (used in) investing activities | <u>(22,845)</u> | <u>(9,070)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 46,317 | 6,076 |
| CASH AND CASH EQUIVALENTS, beginning of year | 318,871 | 312,795 |
| CASH AND CASH EQUIVALENTS, end of year | <u>\$ 365,188</u> | <u>\$ 318,871</u> |

See independent auditors' report and notes to financial statements.

WICN PUBLIC RADIO, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(1) OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

OPERATIONS

WICN Public Radio, Inc. (the Station) is a Worcester, Massachusetts nonprofit corporation incorporated in 1975. The Station operates as a noncommercial, educational FM broadcast public radio station for purposes of providing a cultural, educational, literary, scientific, artistic, and musical outlet for the area community. The Station's authorized broadcast range covers Central Massachusetts, the western suburbs of Boston, plus portions of Rhode Island, Connecticut, and New Hampshire. It also streams worldwide on the internet. The Station's current mission is to present high-quality jazz and other forms of American music.

Approximately 77% of the Station's revenue is derived from membership dues, special events, grants from local foundations, donations and other public support. Approximately 10% of revenue is derived from underwriting, and 13% from grants from the Corporation for Public Broadcasting.

SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements of the Station have been prepared on the accrual basis of accounting.

Net assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions – Represent resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the Station, the environment in which it operates, the purposes specified in its corporate documents and its application for tax exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of operations.

Net assets with donor restrictions – Represent resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Station must continue to use the resources in accordance with the donor's restrictions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of building or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Station, unless the donor provides more specific directions about the period of its use.

WICN PUBLIC RADIO, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

(1) OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Cash and cash equivalents consists of checking and money market accounts.

Receivables

Receivables are presented at their net realizable amount. In determining this amount, objective evidence that a receivable is uncollectible, as well as a historical pattern of collections of receivables that indicate that some or all of the amount of a receivable may not be collectible is considered when determining this net realizable amount. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation account allowance and to a credit to accounts receivable.

Property, plant, and equipment

Property, plant, and equipment are carried at cost when purchased or at fair market value at date of gift if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

The Station reviews the carrying values of certain long-lived assets whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. Where indicated, the carrying value of such assets is reduced through a charge to expenses. The adjusted carrying values represent management's estimate of the amount expected to be recovered from these assets in the future.

Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in changes in net assets for the period.

Investments

Investments with readily determinable fair values are measured at fair value. Other investments, with no quoted market prices, are valued based on other valuation techniques. Gains or losses on investments are reported in the statements of activities and changes in net assets as increases or decreases in net assets without donor restrictions unless their use is temporarily or permanently restricted by explicit donor stipulations or by law.

WICN PUBLIC RADIO, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

1) OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

Contributions are recorded as with or without donor restricted support, depending on the existence and/or nature of any donor restrictions. Contributions may include actual gifts or promises to give. Contributions of assets other than cash are recorded at their estimated fair value on the date of the gift. Restricted promises to give are required to be reported as support and revenue with donor restrictions in the period received and are then reclassified to net assets without donor restrictions upon satisfaction of the donor restriction. Conditional promises to give are not recognized as revenue until the conditions are substantially met.

Leases

The Station has adopted the new lease accounting standards as promulgated by the Financial Accounting Standards Board, whereby an entity recognizes right-of-use assets and lease obligations on the balance sheet for all leases with a lease term of more than twelve months.

In adopting the new accounting standard, the Station elected to use a transition method under which leases were measured and capitalized as of the date of adoption of the new standard. All leases previously classified as operating leases under previous U.S. generally accepted accounting principles are classified as operating leases, and all leases previously classified as capital leases are classified as finance leases, under the new standard.

Lease obligations are measured and recorded at the present value of future lease payments using a discount rate. Because the Station does not have access to such rate, lease obligations are measured using an incremental borrowing rate as the discount rate. The incremental borrowing rate is the rate that would be paid to borrow on a collateralized basis over a similar term and amount equal to the lease payments in a similar economic environment.

Nonprofit status

The Station is exempt from federal income taxes as an organization formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code. Donors may deduct contributions made to the Station within Internal Revenue Code guidelines and requirements.

If the Station had any unrelated business income taxes, it would recognize interest and penalties associated with any tax matters as part of income tax expense and include accrued interest and penalties with the related tax liability in the statements of financial position. In general, the Station's federal and state tax filings for the past three years remain subject to examination by federal and state taxing authorities.

WICN PUBLIC RADIO, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

(1) OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional expenses

The costs of providing the Station's programs and other activities has been summarized on a functional basis in the statements of activities and changes in net assets and the statements of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied. Each year the basis on which costs are allocated is evaluated.

- Salaries and wages, benefits, and payroll taxes are allocated based on specific time spent carrying out each function.
- Professional services are allocated based on the function for which the services were incurred.
- Other expenses that cannot be directly identified are allocated on a reasonable basis to each program and supporting activity.

Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Station.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years.

Estimates

The preparation of financial statements in accordance with the accrual basis of accounting requires management of the Station 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(2) SUBSEQUENT EVENTS

The Station has evaluated the financial statement impact of subsequent events occurring through October 31, 2025, the date that the financial statements were available to be issued.

(3) INVESTMENTS

On June 1, 2021, the Station entered into an agency fund agreement with the Greater Worcester Community Foundation (GWCF). Original amounts transferred to the GWCF at that time was \$26,000. The balance as of June 30, 2025 and June 30, 2024 was \$37,897 and \$33,845, respectively.

WICN PUBLIC RADIO, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

(4) DEFERRED REVENUE

Deferred revenue represents amounts billed to and/or received from donors and supporters to help underwrite the costs of programming events which relate to ensuing fiscal years after June 30, 2025.

(5) LINE OF CREDIT

The Station has a line of credit with a bank with a \$50,000 line of credit available. Interest, if any, is payable monthly. The note is payable on demand and is secured by all assets of the Station. There was no balance on the line of credit as of June 30, 2025 and June 30, 2024.

(6) DONATED GOODS AND SERVICES

The Station receives donated goods, services, and materials, which are recorded at their fair market value or estimated value, as determined by the donor and management. The Station also receives services for various aspects of its programs. The following is a schedule of in-kind revenue and expenses for such goods and services for the years ended June 30, 2025 and 2024.

| 2025 | | | | |
|--------------------------------|------------------|------------------------|------------------|-------------------|
| | Programming | Management and General | Fundraising | Total |
| Volunteer services | \$ 68,076 | \$ 6,450 | \$ 5,498 | \$ 80,024 |
| Fundraising supplies and other | - | - | 22,734 | 22,734 |
| Advertising | 14,612 | - | - | 14,612 |
| Professional services | - | 20,024 | - | 20,024 |
| | <u>\$ 82,688</u> | <u>\$ 26,474</u> | <u>\$ 28,232</u> | <u>\$ 137,394</u> |

| 2024 | | | | |
|--------------------------------|------------------|------------------------|------------------|-------------------|
| | Programming | Management and General | Fundraising | Total |
| Volunteer services | \$ 60,011 | \$ 7,065 | \$ 3,217 | \$ 70,293 |
| Fundraising supplies and other | - | - | 31,389 | 31,389 |
| Advertising | 25,933 | - | - | 25,933 |
| Professional services | - | 27,553 | - | 27,553 |
| | <u>\$ 85,944</u> | <u>\$ 34,618</u> | <u>\$ 34,606</u> | <u>\$ 155,168</u> |

WICN PUBLIC RADIO, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(Continued)

(6) LEASE COMMITMENTS

On November 1, 2004, the Station entered into an operating lease for its facilities located at 50 Portland Street, Worcester, with a term of twenty years expiring on October 21, 2024. The Station relocated the administration offices of its space and entered into a new operating lease on April 1, 2019, with a term of ten years expiring on March 31, 2029.

In addition, the Station also has an operating lease agreement for its transmission tower for three years, which commenced on January 1, 2018, at \$825 per month with three options to extend the lease for five years each with an annual 4% escalator in the lease payment amount, which the Station has exercised.

A summary of the future lease payments for operating leases, reconciled to the lease liability recorded at June 30, 2025 were as follows:

| <u>June 30,</u> | |
|-----------------|-------------------|
| 2026 | \$ 37,523 |
| 2027 | 31,521 |
| 2028 | 30,439 |
| 2029 | 22,083 |
| | <hr/> |
| | <u>\$ 121,566</u> |

(8) LIQUIDITY AND AVAILABILITY

The Station has \$410,579 of financial assets available within one year of the statements of financial position date to meet the cash needs for general expenditures consisting of cash, investments, accounts receivable, and grants and pledges receivable. None of the \$410,579 of financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Station has a goal to maintain financial assets, which consists of cash, to meet at least sixty days of normal operating expenses. The Station has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

(9) RECLASSIFICATIONS

Certain amounts in the 2024 financial statements may have been reclassified to conform with the 2025 financial statement presentation. Such reclassifications had no effect on changes in net assets as previously reported.