

**CONNECTICUT PUBLIC BROADCASTING, INC.  
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEARS ENDED JUNE 30, 2025 AND 2024**



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**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES  
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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Connecticut Public Broadcasting, Inc. and Subsidiaries  
Hartford, Connecticut

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Connecticut Public Broadcasting, Inc. and Subsidiaries, which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

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

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Connecticut Public Broadcasting, Inc. and Subsidiaries 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 opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Connecticut Public Broadcasting, Inc. and Subsidiaries internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Connecticut Public Broadcasting, Inc. and Subsidiaries ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities – without donor restrictions are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements.

The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
October 24, 2025

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2025 AND 2024**

	2025	2024
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 257,082	\$ 224,118
Investments	-	95
Accounts Receivable	3,748,959	4,945,219
Allowance for Expected Credit Losses	(65,063)	(105,818)
Production Costs	18,020	316,902
Prepaid Expenses and Deposits	1,370,069	1,085,919
Total Current Assets	5,329,067	6,466,435
<b>OTHER ASSETS</b>		
Investments Held for Property and Equipment	25,276	18,896
Investments - Endowment	53,434,257	52,838,821
Intangibles, Net	-	62,200
Other Investments	233,431	204,490
Right-of-Use Assets, Net	1,981,702	2,493,952
Total Other Assets	55,674,666	55,618,359
<b>PROPERTY, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS</b>		
Land and Improvements	834,216	834,216
Building	14,449,073	14,371,432
Equipment	45,300,534	44,888,838
Leasehold Improvements	382,510	382,510
Total	60,966,333	60,476,996
Accumulated Depreciation and Amortization	(48,795,821)	(46,951,748)
Construction in Progress	923,782	629,160
Net Property, Equipment, and Leasehold Improvements	13,094,294	14,154,408
Total Assets	\$ 74,098,027	\$ 76,239,202
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 4,454,033	\$ 5,904,271
Deferred Revenue	1,450,221	1,985,786
Lease Liabilities	768,011	842,029
Total Current Liabilities	6,672,265	8,732,086
<b>NONCURRENT LIABILITIES</b>		
Deferred Other	207,202	178,261
Long-Term Lease Liabilities	1,288,773	1,719,220
Total Noncurrent Liabilities	1,495,975	1,897,481
<b>NET ASSETS</b>		
Without Donor Restrictions	63,781,707	62,932,511
With Donor Restrictions	2,148,080	2,677,124
Total Net Assets	65,929,787	65,609,635
Total Liabilities and Net Assets	\$ 74,098,027	\$ 76,239,202

See accompanying Notes to Financial Statements.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Underwriting Support	\$ 8,133,132	\$ -	\$ 8,133,132
Subscription and Membership Income	7,020,473	641,524	7,661,997
Annual Spending Distribution	2,578,210	-	2,578,210
Corporation for Public Broadcasting	2,466,650	-	2,466,650
Video Services	953,296	-	953,296
Planned Gifts and Bequests	411,722	-	411,722
Contributed In-Kind Support	205,642	-	205,642
Nonbroadcasting Services	36,445	-	36,445
Miscellaneous	100,705	-	100,705
Donated Personal Services of Volunteers	24,875	-	24,875
Release from Restrictions	1,309,461	(1,309,461)	-
Total Revenues	23,240,611	(667,937)	22,572,674
<b>EXPENSES</b>			
Program Services:			
Programming and Production	14,066,691	-	14,066,691
Broadcasting	1,039,410	-	1,039,410
Contributed In-Kind Support	205,092	-	205,092
Program Information	1,165,127	-	1,165,127
Total Program Services	16,476,320	-	16,476,320
Supporting Services:			
Fundraising and Membership Development:			
Membership Development	2,692,974	-	2,692,974
Other Fundraising Expenses	1,061,501	-	1,061,501
Contributed In-Kind Support	550	-	550
Donated Personal Services of Volunteers	24,875	-	24,875
Management and General	3,826,340	-	3,826,340
Total Supporting Services	7,606,240	-	7,606,240
Voluntary Separation Costs	(112,476)	-	(112,476)
Reorganization Costs	(17,331)	-	(17,331)
Video Services:			
Cost of Production	956,664	-	956,664
General and Administrative	121,680	-	121,680
Total Video Services	1,078,344	-	1,078,344
Total Expenses	25,031,097	-	25,031,097
<b>CHANGE IN NET ASSETS BEFORE OTHER ACTIVITIES</b>	(1,790,486)	(667,937)	(2,458,423)
<b>OTHER ACTIVITIES</b>			
Contributions Restricted for Capital Additions	-	388,674	388,674
Income from Licensing of Intangible Assets	1,849,504	-	1,849,504
Investment Return, Net	5,042,546	132,513	5,175,059
Release of Restricted Assets for Capital Additions	377,355	(377,355)	-
Transfer of Funds	4,939	(4,939)	-
Interest Expense	(150,179)	-	(150,179)
Depreciation and Amortization	(1,906,273)	-	(1,906,273)
Annual Spending Distribution	(2,578,210)	-	(2,578,210)
Net Other Activities	2,639,682	138,893	2,778,575
<b>CHANGE IN NET ASSETS</b>	849,196	(529,044)	320,152
Net Assets - Beginning of Year	62,932,511	2,677,124	65,609,635
<b>NET ASSETS - END OF YEAR</b>	\$ 63,781,707	\$ 2,148,080	\$ 65,929,787

See accompanying Notes to Financial Statements.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Underwriting Support	\$ 7,292,584	\$ -	\$ 7,292,584
Subscription and Membership Income	6,421,304	1,709,376	8,130,680
Annual Spending Distribution	2,578,170	-	2,578,170
Corporation for Public Broadcasting	2,290,629	-	2,290,629
Video Services	1,110,382	-	1,110,382
Planned Gifts and Bequests	651,217	-	651,217
Contributed In-Kind Support	205,661	-	205,661
Miscellaneous	84,072	-	84,072
Donated Personal Services of Volunteers	26,809	-	26,809
Release from Restrictions	1,345,817	(1,345,817)	-
Total Revenues	22,006,645	363,559	22,370,204
<b>EXPENSES</b>			
Program Services:			
Programming and Production	14,052,713	-	14,052,713
Broadcasting	999,475	-	999,475
Contributed In-Kind Support	196,262	-	196,262
Program Information	958,411	-	958,411
Total Program Services	16,206,861	-	16,206,861
Supporting Services:			
Fundraising and Membership Development:			
Membership Development	3,077,622	-	3,077,622
Other Fundraising Expenses	1,082,794	-	1,082,794
Contributed In-Kind Support	9,399	-	9,399
Donated Personal Services of Volunteers	26,809	-	26,809
Management and General	3,885,142	-	3,885,142
Total Supporting Services	8,081,766	-	8,081,766
Voluntary Separation Costs	841,316	-	841,316
Reorganization Costs	482,296	-	482,296
Video Services:			
Cost of Production	927,646	-	927,646
General and Administrative	75,304	-	75,304
Total Video Services	1,002,950	-	1,002,950
Total Expenses	26,615,189	-	26,615,189
<b>CHANGE IN NET ASSETS BEFORE OTHER ACTIVITIES</b>	(4,608,544)	363,559	(4,244,985)
<b>OTHER ACTIVITIES</b>			
Contributions Restricted for Capital Additions	-	627,375	627,375
Income from Licensing of Intangible Assets	1,849,504	-	1,849,504
Investment Return, Net	6,025,192	142,793	6,167,985
Release of Restricted Assets for Capital Additions	14,600	(14,600)	-
Transfer of Funds	680,265	(680,265)	-
Interest Expense	(239,323)	-	(239,323)
Depreciation and Amortization	(1,895,417)	-	(1,895,417)
Annual Spending Distribution	(2,578,170)	-	(2,578,170)
Net Other Activities	3,856,651	75,303	3,931,954
<b>CHANGE IN NET ASSETS</b>	(751,893)	438,862	(313,031)
Net Assets - Beginning of Year	63,684,404	2,238,262	65,922,666
<b>NET ASSETS - END OF YEAR</b>	\$ 62,932,511	\$ 2,677,124	\$ 65,609,635

See accompanying Notes to Financial Statements.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2025**

	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total</u>
Payroll and Benefits	\$ 7,724,120	\$ 2,685,136	\$ 1,979,220	\$ 12,388,476
Program Acquisition and Network				
Affiliation Fees	3,165,467	-	-	3,165,467
Other Professional Services	1,816,801	713,709	480,179	3,010,689
Production	2,225,885	36,801	13,580	2,276,266
Depreciation and Amortization	1,321,704	284,822	299,747	1,906,273
Occupancy and Utilities	1,018,061	49,868	766,073	1,834,002
Other	348,692	40,571	504,729	893,992
Equipment Rental and Maintenance	471,993	28,236	154,049	654,278
Membership Benefits	464,661	153,049	440	618,150
Travel, Meetings, and Special Events	119,492	32,602	37,683	189,777
Interest Expense	104,126	22,439	23,614	150,179
	<u>\$ 18,781,002</u>	<u>\$ 4,047,233</u>	<u>\$ 4,259,314</u>	<u>\$ 27,087,549</u>
Total Expenses				

See accompanying Notes to Financial Statements.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2024**

	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total</u>
Payroll and Benefits	\$ 9,868,952	\$ 3,185,040	\$ 2,125,923	\$ 15,179,915
Program Acquisition and Network				
Affiliation Fees	2,915,278	-	-	2,915,278
Other Professional Services	1,370,515	919,167	635,387	2,925,069
Production	1,355,400	25,221	235	1,380,856
Depreciation and Amortization	1,270,859	321,677	302,881	1,895,417
Occupancy and Utilities	922,066	65,276	672,037	1,659,379
Other	308,884	30,367	557,013	896,264
Equipment Rental and Maintenance	477,896	16,485	210,245	704,626
Membership Benefits	471,609	233,770	1,235	706,614
Travel, Meetings, and Special Events	154,632	41,621	50,938	247,191
Interest Expense	160,464	40,616	38,243	239,323
	<u>\$ 19,276,555</u>	<u>\$ 4,879,240</u>	<u>\$ 4,594,137</u>	<u>\$ 28,749,932</u>
Total Expenses				

See accompanying Notes to Financial Statements.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 320,152	\$ (313,031)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Used by Operating Activities:		
Depreciation and Amortization	1,906,273	1,895,417
Credit Loss Expense for Accounts Receivable	40,755	(2,678)
Contributions Restricted for Capital Additions	(388,674)	(627,375)
Net Realized and Unrealized Gain on Investments	(5,175,059)	(6,167,985)
Noncash Lease Expense	7,785	10,225
Changes in Operating Assets and Liabilities:		
Accounts Receivable, Net	1,114,750	(25,403)
Production Costs	298,882	(25,703)
Prepaid Expenses and Deposits	(284,150)	(273,396)
Accounts Payable and Accrued Expenses	(1,450,238)	368,603
Deferred Revenue	(535,565)	214,044
Deferred Other	28,941	28,492
Net Cash Used by Operating Activities	(4,116,148)	(4,918,790)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Securities	(1,849,504)	(1,849,504)
Sales of Securities	6,393,901	8,061,330
Property, Equipment, and Leasehold Improvement Additions	(783,959)	(1,568,430)
Net Cash Provided by Investing Activities	3,760,438	4,643,396
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment on Line of Credit	-	(552,207)
Contributions Restricted for Capital Additions	388,674	627,375
Net Cash Provided by Financing Activities	388,674	75,168
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	32,964	(200,226)
Cash and Cash Equivalents - Beginning of Year	224,118	424,344
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 257,082	\$ 224,118
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid During the Year for:		
Interest	\$ 150,179	\$ 239,323

See accompanying Notes to Financial Statements.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Business**

Connecticut Public Broadcasting, Inc., is a nonprofit organization which provides nonprofit and noncommercial television and radio services to serve the needs of the Connecticut community and contributes to the advancement of educational programs. Connecticut Public Broadcasting, Inc.'s wholly owned for-profit subsidiary, MediaVision Productions, Inc., provides television and radio equipment and services to third parties.

On November 30, 2015, a wholly owned nonprofit subsidiary was established, Connecticut Public Broadcasting Real Estate Holding Company, Inc. A majority of the real estate holdings held by Connecticut Public Broadcasting was transferred to the newly formed company.

On November 30, 2015, a wholly owned nonprofit subsidiary was established, Connecticut Public Broadcasting Endowment, Inc. There have been no assets transferred to this new subsidiary. The intent is to transfer the endowment investments into the endowment company.

The consolidated financial statements as of June 30, 2025 and 2024 include the activities of Connecticut Public Broadcasting, Inc., Connecticut Public Broadcasting Real Estate Holding Company, Inc., Connecticut Public Broadcasting Endowment, Inc., and MediaVision Productions, Inc. (collectively, the Company). All material intercompany balances and transactions have been eliminated from the consolidated financial statements.

**Basis of Accounting and Presentation**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting. The Company reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. They are described as follows:

*Net Assets Without Donor Restrictions* – Net assets without donor restrictions represent available resources other than donor-restricted contributions. These resources may be expended at the discretion of the board of trustees. Each year, the board of trustees designates a portion of net assets without donor restrictions for the purpose of funds functioning as an endowment. For the years ended June 30, 2025 and 2024, the board has designated \$52,027,119 and \$51,564,195 respectively, to function as endowment.

*Net Assets With Donor Restrictions* – Net assets with donor restrictions represent 1) contributions that are restricted by the donor as to purpose or time of expenditure, 2) contributions that require that the principal be maintained in perpetuity but permit the Company to expend the income earned thereon, and 3) the accumulated investment income and gains on donor-restricted endowment assets that have not been appropriated for expenditure.

**Cash and Cash Equivalents**

All highly liquid investments with a maturity of three months or less when purchased are considered cash equivalents.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on the trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized and unrealized gains include the Company's gains and losses on investments bought and sold as well as held during the year.

**Intangibles**

On July 1, 2015, MediaVision Productions, Inc., entered into an agreement with a related party which resulted in a lease agreement and the purchase of certain intangibles. The agreement required a monthly payment of \$30,000 for the use of the building, certain equipment and access to customer lists. The acquisition was valued by a third party. The intangibles were valued at \$641,000, resulting in bargain purchase income of \$257,500.

Amortization expense is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives for financial reporting purposes are as follows:

Customer Relations	10 Years
Trade Name	2.2 Years

**Allowances for Receivables**

The Company uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of accounts receivable at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed significantly. Future conditions also do not show significant changes expected to impact the collectability of accounts receivable. Management has estimated an allowance for expected credit losses in the amount of \$65,063 and \$105,818 for June 30, 2025 and 2024.

**Property, Equipment, and Leasehold Improvements**

The Company capitalizes all expenditures for property and equipment in excess of \$500. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over their estimated useful lives. Amortization of leasehold improvements is computed using the straight-line method over the shorter of useful life or the remaining lease term. Estimated lives for financial reporting purposes are as follows:

Building	30 Years
Equipment	3 to 10 Years
Leasehold Improvement	5 Years

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property, Equipment, and Leasehold Improvements (Continued)**

Primarily all depreciation and amortization expense is associated with assets necessary to operate program services. 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 income for the period.

**Leases**

The Company leases certain operating facilities. The Company determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) operating lease assets and ROU operating lease liabilities on the consolidated statements of financial position for the years ended June 30, 2025 and 2024.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most leases do not provide an implicit rate, the Company uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the consolidated statements of financial position.

The Company has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

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

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Company has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities. The risk-free discount rates used were between 2.66% and 3.90% and were the U.S. Treasury Rates as of the inception of the lease for the remaining term of each lease.

**Subscription and Membership Income**

The Company recognizes subscription and membership income on the date the individual membership gift is received.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income from Licensing of Intangible Assets**

The Company recognizes income from licensing of intangible assets over the life of each respective agreement on a straight-line basis.

**Donated Personal Services of Volunteers**

Donated personal services of volunteers who possess special skills and meet the required criteria under accounting standards are recorded as revenue and expense in the accompanying consolidated financial statements at their estimated fair value based on standard valuation rates and job classifications found at the website developed by Independent Sector.

All other donated services from volunteers for various programs have not been recognized in the accompanying consolidated statements of activities because the criteria for recognition of such volunteer effort have not been satisfied in accordance with the standards.

See Note 10 for further information regarding donated personal services of volunteers.

**Contributed Programming and Production**

In-kind contributions of services, rental of equipment and office space, programs, fundraising support, and other similar services are recorded as revenue and expense in the accompanying consolidated financial statements at their estimated fair value based on discounts provided and documented by independent third-party vendors.

See Note 10 for further information regarding contributed programming and production.

**Contributions, Donor-Restricted Gifts, and Restricted Grants**

For financial statement purposes, the Company distinguishes between contributions of net assets without donor restrictions and net assets with donor restrictions.

Promises to give that are subject to donor-imposed conditions (i.e., a donor stipulation that includes a barrier that must be overcome and a right of return of assets) are recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional. Unconditional contributions are recognized when promised or received, as applicable, and are considered to be available for unrestricted use unless specifically restricted by the donor.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributions, Donor-Restricted Gifts, and Restricted Grants (Continued)**

The Company reports contributions of cash and other assets as donor-restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statements of activities as net assets released from restrictions. Contributions received whose restrictions are met in the same period are presented as net assets without donor restrictions. Transfers of assets from a resource provider received before the barriers are overcome are reported as deferred revenue on the accompanying consolidated statements of financial position.

There were no conditional contributions as of June 30, 2025 and 2024.

**Measure of Operations**

The consolidated statements of activities present revenue and expenses from operations separately from nonoperating activities. For purposes of the consolidated statements of activities, operations are defined as revenue and expenses (other than depreciation and interest) from programming, production and broadcasting activities, membership and subscriptions, corporate underwriting, and revenue from grants to operate certain programs throughout the year, along with the general and administrative expenses incurred to operate the Company. Realized and unrealized gains and losses on the investments without donor restrictions as well as earned income, net of the spending rule allocation, on investments without donor restrictions and with donor restrictions are reported as nonoperating revenue. All other revenue and expenses (primarily investment results, income from licensing of intangible assets, depreciation and interest) are classified as nonoperating activities. This basis of presentation reflects the Company's management philosophy throughout the year.

**Income Taxes**

The Internal Revenue Service (IRS) has ruled that Connecticut Public Broadcasting, Inc., is exempt from income taxes on related income under the applicable section of the Internal Revenue Code (IRC). Once qualified, it is required to operate in conformity with the IRC to maintain its tax-exempt status. Connecticut Public Broadcasting, Inc., is not aware of any course of action or series of events that have occurred that might adversely affect its tax-exempt status.

MediaVision Productions, Inc., is a C corporation and thus state and federal income taxes are accounted for under an asset and liability method, which recognizes deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the tax and financial reporting basis of certain assets and liabilities.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes (Continued)**

At June 30, 2025, MediaVision Productions, Inc., has no available federal net operating loss carryforwards, and state net operating loss carryforwards of approximately \$81,209 expiring through 2037. Deferred tax assets aggregated \$119,905 and \$75,020 at June 30, 2025 and 2024, respectively, all of which have been offset by a valuation allowance. The current provision for income taxes consisted of federal income tax expense of \$-0- and state income tax expense of \$250. The deferred provision for income taxes consisted of a federal income tax benefit of \$104,821 and a state income tax benefit of \$15,084. In addition, as a result of the valuation allowance, there is no provision for deferred income taxes.

**Revenue Recognition**

The Company recognizes revenue at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to its customers using the following five-step process:

1. Identify the contract(s) with the customer.
2. Identify the performance obligation(s) in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to performance obligations in the contract.
5. Recognize revenue when (or as) the Company satisfies a performance obligation.

See Note 2 for details on how the above five-step process is applied to the Company's contracts with customers.

**Functional Allocation of Expenses**

The cost of providing the various programs and supporting services has been summarized on a functional basis in the consolidated statements of functional expenses. Certain categories of expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied and determined by management. The expenses that are allocated based upon time and effort include payroll and benefits, production, other professional services, membership benefits, equipment rental and maintenance, travel, meetings, depreciation and amortization, interest, and other expenses. Occupancy and utilities are allocated based upon square footage.

**Use of Estimates**

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

**Subsequent Events**

The Company has evaluated subsequent events through October 24, 2025, which is the date the consolidated financial statements were available to be issued. See Note 15 for further details.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS**

**Contract Balances**

The Company enters into contracts with underwriters and other third-party customers to provide noncommercial television and radio programs and services, video and nonbroadcasting services, and the leasing of certain of its intangible assets. The payment terms and conditions in each contract vary based on the services provided, payment plan, and the duration of the contract.

When the timing of the Company's delivery of services is different from the timing of the invoices and/or payments made by customers, the Company recognizes a contract liability (invoice/payment precedes performance) until the performance obligations are satisfied. Contracts with payment in arrears are recognized as receivables.

The opening and closing balances of the Company's contract liabilities and receivables are as follows:

	Contract Balances	
	Receivables	Contract Liability
Opening (July 1, 2023)	\$ 2,536,613	\$ 1,378,049
Closing (June 30, 2024)	2,735,892	1,438,859
Increase	\$ 199,279	\$ 60,810
Opening (July 1, 2024)	\$ 2,735,892	\$ 1,438,859
Closing (June 30, 2025)	1,933,063	1,131,084
Decrease	\$ (802,829)	\$ (307,775)

The amount of revenue recognized in the period that was included in the opening contract liability balances was \$1,438,859 and \$1,378,049 for the years ended June 30, 2025 and 2024, respectively.

**Performance Obligations**

At contract inception, the Company assesses the programs and services promised in its contracts with underwriters and other customers and identifies the performance obligations for each contract. Contracts are for specific services and transaction prices are fixed at inception.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

**Performance Obligations (Continued)**

The Company has determined that the following types of revenue contain distinct performance obligations:

***Underwriting Support*** – Underwriting support revenue includes revenue from underwriters that support the Company’s production of programs and noncommercial advertising. Revenues from underwriting support are recognized over the term of the related underwriting contract as performance obligations are satisfied. When the Company enters into contracts where underwriters provide production support, performance obligations are satisfied when the program is aired, or in the case of a series, when the initial episode of the series is aired. When the Company enters into contracts to provide noncommercial advertising, performance obligations are satisfied throughout the contract term and revenue is recognized over time as the Company meets each contractual obligation. The Company recognized revenue for these services over time of \$8,133,132 and \$7,292,584 as of June 30, 2025 and 2024.

***Video Services*** – Revenue from video services includes commercial production, graphic design, and animation services. Video services are provided to customers based upon established contracts. Revenue is recognized upon satisfying the performance obligations in the contract as the service is completed and delivered to the customer. The Company recognized revenue for these services at a point in time of \$953,296 and \$1,110,382 as of June 30, 2025 and 2024.

***Nonbroadcasting Services*** – Nonbroadcasting revenue services include revenue from the Company’s uplink services business. Uplink services are provided to a customer based upon an established master contract and services are requested by the customer as needed. Revenue is recognized upon satisfying the performance obligation as the uplink service is completed. The Company recognized revenue for these services at a point in time of \$36,445 as of June 30, 2025. There was no nonbroadcasting services revenue recognized as of June 30, 2024.

***Income from Licensing of Intangible Assets*** – Income from licensing of intangible assets relate to the leasing of the Company’s educational broadband services licenses to a third party under individual contracts. The Company recognizes income from the licenses over the life of each respective agreement on a straight-line basis as its performance obligations are satisfied. The Company recognized revenue for these services over time in the amount of \$1,849,504 as of June 30, 2025 and 2024.

**Transaction Price**

The Company enters into service contracts for underwriting, video services, nonbroadcasting services and licensing of intangible assets. The contracts are for specific services and the transaction price is fixed at inception.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 3 FAIR VALUE MEASUREMENTS**

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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

*Level 2* – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. As a practical expedient, certain investments are measured at fair value on the basis of net asset value. The fair value of these investments is not included in the fair value hierarchy.

**Financial Instruments Measured at Fair Value**

The following is a description of the valuation methodologies used for financial instruments measured at fair value:

***Mutual Funds*** – Mutual funds are valued at the quoted price of shares reported in an active market in which the mutual funds are traded.

***Fixed Income*** – These items are valued at the closing price reported in the active market in which the bonds are traded. Certain bonds are valued at the closing price reported in the active market in which the individual securities are traded. Other bonds are valued based on yields currently available on comparable securities of issuers with similar durations and credit ratings.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)**

**Financial Instruments Measured at Fair Value (Continued)**

**Hedge Funds** – This includes investments in long and short global equities. Interests in hedge funds are valued using net asset values as determined by the investment manager of the fund. This net asset value is based on the fair value of the underlying assets and liabilities of the related fund at the measurement date.

There have been no changes in the methodologies used at June 30, 2025 and 2024.

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

The following tables set forth by level, within the fair value hierarchy, the Company's assets at fair value as of June 30:

	2025				
	Fair Value Measurements at Report Date Using				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value (a)
Investments:					
Mutual Funds:					
Equity	\$ 30,662,838	\$ 30,662,838	\$ -	\$ -	\$ -
Fixed Income	12,462,404	12,462,404	-	-	-
Balanced	2,279,496	2,279,496	-	-	-
Hedge Fund	5,570,505	-	-	-	5,570,505
Total Assets at Fair Value	50,975,243	45,404,738	-	-	5,570,505
Cash and Cash Equivalents Held by Portfolio Managers	2,484,290	2,484,290	-	-	-
<b>Total Investments</b>	<b>\$ 53,459,533</b>	<b>\$ 47,889,028</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,570,505</b>

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)**

**Financial Instruments Measured at Fair Value (Continued)**

	2024				
	Fair Value Measurements at Report Date Using				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value (a)
Investments:					
Mutual Funds:					
Equity	\$ 33,045,649	\$ 33,045,649	\$ -	\$ -	\$ -
Fixed Income	10,188,891	10,188,891	-	-	-
Balanced	2,321,800	2,321,800	-	-	-
Hedge Fund	4,986,190	-	-	-	4,986,190
Bonds - Fixed Income:					
Government	75	75	-	-	-
Total Assets at Fair Value	50,542,605	45,556,415	-	-	4,986,190
Cash and Cash Equivalents Held by Portfolio Managers	2,315,207	2,315,207	-	-	-
Total Investments	<u>\$ 52,857,812</u>	<u>\$ 47,871,622</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,986,190</u>

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

**Investments in Entities that Calculate Net Asset Value per Share**

The fair values of the investments in hedge funds have been estimated using the net asset value per share as provided by the hedge fund managers. The investments are subject to a redemption restriction of quarterly liquidation with 60 days' notice after a one-year lock-up period. The fund's investment objective is to seek capital appreciation by allocating its assets among a select group of private investment funds (commonly known as hedge funds) that utilize a variety of alternative investment strategies that seek to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes.

There were no unfunded commitments for these funds as of June 30, 2025 and 2024.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 4 INTANGIBLE ASSETS**

Intangible assets comprise the following as of June 30:

	2025	2024
Customer Relations	\$ 622,000	\$ 622,000
Trade Name	19,000	19,000
Total	641,000	641,000
Less: Accumulated Amortization	641,000	578,800
Intangibles, Net	\$ -	\$ 62,200

Amortization expense charged to operations was \$62,200 for the years ended June 30, 2025 and 2024.

**NOTE 5 LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Company's financial assets available within one year of the consolidated statement of financial position date for general expenditure are as follows:

	2025	2024
Cash and Cash Equivalents	\$ 257,082	\$ 224,118
Investments	-	95
Accounts Receivable, Net	3,683,896	4,839,401
Total Financial Assets Available	3,940,978	5,063,614
Within One Year	3,940,978	5,063,614
Less Amounts Unavailable for General Expenditures		
Within One Year, Due to:		
Restricted by Donors with Purpose Restrictions	(426,328)	(1,094,265)
Appropriation from Board-Designated Endowment for		
General Expenditures in Subsequent Years	2,601,356	2,578,210
Total Financial Assets Available to Management	2,601,356	2,578,210
for General Expenditure Within One Year	\$ 6,116,006	\$ 6,547,559

**Liquidity Management**

The Company's endowment funds consist of donor-restricted endowments and funds designated by the board of trustees to function as endowments. Income from donor-restricted endowments is restricted for specific purposes, and, therefore, is not available for general expenditure. As described in Note 7, the board-designated endowment has a spending rate of 5% of the fair value of endowments total market value as of the previous year-end. As of June 30, 2025 and 2024, \$2,601,356 and \$2,578,210, respectively, of appropriations from the board-designated endowment will be available within the next 12 months.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 5 LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)**

**Liquidity Management (Continued)**

To help manage unanticipated liquidity needs, the Company maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Company has a line of credit with an available balance of \$3,000,000 as of June 30, 2025 and 2024, that it could draw upon at any time. Additionally, the Company has a board-designated endowment in the amount of \$52,027,119 and \$51,564,195 as of June 30, 2025 and 2024, respectively. The Company does not intend to spend from its board-designated endowment other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process, but amounts from its board-designated endowment could be made available if necessary.

**NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS**

The following is the composition of the Company's net assets with donor restrictions at June 30:

	<u>2025</u>	<u>2024</u>
Endowment:		
Restricted in Perpetuity: Income Use Unrestricted	\$ 480,544	\$ 480,544
Accumulated Gains Subject to Endowment Spending		
Policy and Appropriation	926,594	794,082
Total Endowment	<u>1,407,138</u>	<u>1,274,626</u>
Other Net Assets With Donor Use Restrictions:		
Restricted for Capital Additions	314,614	308,233
Restricted for Various Programs and Activities	<u>426,328</u>	<u>1,094,265</u>
 Total Net Assets With Donor Restrictions	 <u>\$ 2,148,080</u>	 <u>\$ 2,677,124</u>

The Company released \$377,355 and \$14,600 of net assets with donor restrictions in 2025 and 2024, respectively, for capital additions. For the years ended June 30, 2025 and 2024, the Company released \$1,309,461 and \$1,345,817, respectively, of net assets with donor restrictions as a result of fulfilling obligations related to programs supported by donors.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 7 ENDOWMENT**

The Company's endowment consists of funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the board of trustees to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the board of trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The board of trustees of the Company has interpreted the Connecticut Uniform Prudent Management of Institutional Funds Act (CTUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Company classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanent endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Company in a manner consistent with the standard of prudence prescribed by CTUPMIFA.

In accordance with CTUPMIFA, the Company considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Company and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Company
- The investment policies of the Company

Endowment net asset composition by type of fund as of June 30:

June 30, 2025	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 52,027,119	\$ -	\$ 52,027,119
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	480,544	480,544
Accumulated Gains Subject to Endowment Spending Policy and Appropriation	-	926,594	926,594
Total	<u>\$ 52,027,119</u>	<u>\$ 1,407,138</u>	<u>\$ 53,434,257</u>

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
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**NOTE 7 ENDOWMENT (CONTINUED)**

**Interpretation of Relevant Law (Continued)**

<u>June 30, 2024</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Board-Designated Endowment Funds	\$ 51,564,195	\$ -	\$ 51,564,195
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	480,544	480,544
Accumulated Gains Subject to Endowment Spending Policy and Appropriation	-	794,082	794,082
	<u>-</u>	<u>794,082</u>	<u>794,082</u>
Total	<u>\$ 51,564,195</u>	<u>\$ 1,274,626</u>	<u>\$ 52,838,821</u>

**Endowment Net Assets**

Endowment net asset composition by type of fund and changes in endowment net assets as of and for the years ended June 30, 2025 and 2024 were as follows:

<u>June 30, 2025</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets - Beginning of Year	\$ 51,564,195	\$ 1,274,626	\$ 52,838,821
Investment Return:			
Interest and Dividends, Net	1,144,473	29,551	1,174,024
Net Appreciation (Realized and Unrealized)	3,893,262	102,961	3,996,223
Total Investment Return	5,037,735	132,512	5,170,247
Additions to Endowment	1,849,504	-	1,849,504
Appropriation of Endowment Assets for Expenditure	(6,424,315)	-	(6,424,315)
	<u>(6,424,315)</u>	<u>-</u>	<u>(6,424,315)</u>
Endowment Net Assets - End of Year	<u>\$ 52,027,119</u>	<u>\$ 1,407,138</u>	<u>\$ 53,434,257</u>
	<u>\$ 52,027,119</u>	<u>\$ 1,407,138</u>	<u>\$ 53,434,257</u>
<u>June 30, 2024</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets - Beginning of Year	\$ 51,563,405	\$ 1,131,833	\$ 52,695,238
Investment Return:			
Interest and Dividends, Net	1,055,970	24,753	1,080,723
Net Appreciation (Realized and Unrealized)	4,961,809	118,040	5,079,849
Total Investment Return	6,017,779	142,793	6,160,572
Additions to Endowment	1,849,503	-	1,849,503
Appropriation of Endowment Assets for Expenditure	(7,866,492)	-	(7,866,492)
	<u>(7,866,492)</u>	<u>-</u>	<u>(7,866,492)</u>
Endowment Net Assets - End of Year	<u>\$ 51,564,195</u>	<u>\$ 1,274,626</u>	<u>\$ 52,838,821</u>
	<u>\$ 51,564,195</u>	<u>\$ 1,274,626</u>	<u>\$ 52,838,821</u>

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 7 ENDOWMENT (CONTINUED)**

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Company has an annual endowment spending policy that is specifically designed to assist in funding annual programming objectives and to preserve the value of the investment portfolio over time. In 2025 and 2024, the spending policy was 5% of the fair value of endowment assets as of June 30, 2024 and 2023. In establishing this policy, the Company considered the long-term expected return on its endowment. Accordingly, over the long term, the Company expects the current spending policy to allow its endowment to grow and maintain its value to support operations in the future. The Company has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws.

To meet these objectives, the Company utilizes a total return investment approach which emphasizes total investment return, consisting of investment income and realized and unrealized gains or losses and, accordingly, invests in equities, fixed income, and money market accounts. The annual spending distribution for operating purposes was \$2,578,210 and \$2,578,170 in fiscal years 2025 and 2024, respectively.

**NOTE 8 LINE OF CREDIT**

The Company has an unsecured operating line of credit (the Line) of \$3,000,000, which expires on June 27, 2027. The interest rate is a fluctuating rate per annum equal to the prime rate minus 0.50%. As of June 30, 2025 and 2024, the balance bears an interest rate of 7% and 8%. There was no outstanding balance as of June 30, 2025 and 2024.

Interest expense incurred on the Line was \$105,270 and \$183,368 as of June 30, 2025 and 2024, respectively.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
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**NOTE 9 LEASES – ASC 842**

The Company leases certain operating facilities under noncancelable operating leases expiring at various times through December 31, 2027. Additionally, the agreements generally require the Company to pay insurance, taxes and maintenance on its prorated share of the facility.

The following table provides quantitative information concerning the Company's leases:

	<u>2025</u>	<u>2024</u>
Lease Cost:		
Operating Lease Cost	\$ 929,346	\$ 995,928
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	\$ 1,056,801	\$ 1,002,947
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities:		
Weighted-Average Remaining Lease Term - Operating Leases	2.8 Years	3.6 Years
Weighted-Average Discount Rate - Operating Leases	3.27%	3.12%

The Company classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2025 is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 1,050,369
2027	781,732
2028	190,603
2029	60,323
2030	61,503
Thereafter	271,162
Undiscounted cash flows	2,415,692
(Less) Imputed interest	(358,908)
Total present value	<u>\$ 2,056,784</u>

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 10 CONTRIBUTED IN-KIND SUPPORT AND DONATED PERSONAL SERVICES OF VOLUNTEERS**

For the years ended June 30, 2025 and 2024, contributed nonfinancial assets recognized in the statements of activities included:

	Revenue Recognized 2025	Revenue Recognized 2024	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Rent	\$ 205,092	\$ 196,262	Programs	No associated donor restrictions	Value was based upon rental agreement rates and square footage.
Legal Services	550	9,398	General and Administrative	No associated donor restrictions	Contributed services from attorneys are valued at the estimated fair value based on current rates for similar legal services.
Personal Services of Volunteers	24,875	26,810	General and Administrative, Fundraising	No associated donor restrictions	Values were based on actual volunteer hours and the current estimated national value of volunteer hours

**NOTE 11 RETIREMENT PLANS**

The Company provides a defined contribution retirement plan for eligible employees who elect to participate in the plan. Eligible employees may contribute a percentage of their salary to the plan. The Company contributes an amount equal to employees' contributions up to a limit as determined annually by the Company. Retirement contributions charged to operations were \$235,842 and \$321,348 for the years ended June 30, 2025 and 2024, respectively.

In addition to the plan, the Company also provides two nonqualified deferred compensation plans for certain management personnel. There were no discretionary contributions made to the plans for the years ended June 30, 2025 and 2024.

**NOTE 12 RELATED PARTY TRANSACTIONS**

In the ordinary course of business, the Company conducts business with other organizations whose executives are members of the Company's board of trustees. Revenue transactions, including corporate underwriting revenue and other support, amounted to \$1,609,558 and \$1,669,682 for the years ended June 30, 2025 and 2024, respectively. Purchases and other services received amounted to \$625,828 and \$474,235 for the years ended June 30, 2025 and 2024, respectively. At June 30, 2025 and 2024, included in the accounts receivable balance was \$1,403,213 and \$1,342,043, respectively. In addition, included in the accounts payable balance was \$100,118 and \$87,873 at June 30, 2025 and 2024, respectively.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 13 CONCENTRATIONS**

The Company receives substantial revenues from governmental agencies, Corporation for Public Broadcasting, related parties and the public; a significant reduction in the level of this support may have an adverse effect on the Company's programs and activities. Significant programming services are provided to the Company by the Public Broadcasting Service. Operations include charges for such services of \$1,842,489 and \$1,644,646 in 2025 and 2024, respectively.

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash, cash equivalents, investments and receivables. The Company maintains its cash and cash equivalents with high credit-quality financial institutions. At times, such amounts may exceed federally insured limits.

The Company's investments are in high-quality marketable securities placed within a wide array of institutions with high credit ratings. This investment policy limits the Company's exposure to concentrations of credit risk. Concentrations of credit risk with respect to accounts receivable are limited to contractual agreements with various underwriters. The Company evaluates the need for an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends and other information.

**NOTE 14 CONTINGENCIES**

The Company is subject to various claims and legal proceedings arising in the ordinary course of business. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or change in net assets of the Company.

**NOTE 15 SUBSEQUENT EVENT**

On July 24, 2025, the Rescissions Act of 2025 was signed into law, eliminating all federal funding for public media. This will result in the loss of approximately \$2.1 million of revenue, or 10% of total revenue, from the Company in fiscal years 2026 and 2027. While the short-term impact of these reductions still being assessed, this development does not affect the Company's long-term strategic plans.

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2025**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

<b>ASSETS</b>	Connecticut Public Broadcasting, Inc.	Real Estate Holding Company Inc.	MediaVision Productions Inc.	Total	Eliminations	Consolidated
<b>CURRENT ASSETS</b>						
Cash and Cash Equivalents	\$ 226,423	\$ -	\$ 30,659	\$ 257,082	\$ -	\$ 257,082
Investments	-	-	-	-	-	-
Accounts Receivable	3,652,184	-	96,775	3,748,959	-	3,748,959
Allowance for Expected Credit Losses	(65,063)	-	-	(65,063)	-	(65,063)
Intercompany Receivable	470,631	-	-	470,631	(470,631)	-
Production Costs	18,020	-	-	18,020	-	18,020
Prepaid Expenses and Deposits	1,351,756	-	18,313	1,370,069	-	1,370,069
Total Current Assets	<u>5,653,951</u>	<u>-</u>	<u>145,747</u>	<u>5,799,698</u>	<u>(470,631)</u>	<u>5,329,067</u>
<b>OTHER ASSETS</b>						
Investment in MediaVision	(497,733)	-	-	(497,733)	497,733	-
Investments Held for Property and Equipment	25,276	-	-	25,276	-	25,276
Investments - Endowment	53,434,257	-	-	53,434,257	-	53,434,257
Intangibles, Net	-	-	-	-	-	-
Other Investments	233,431	-	-	233,431	-	233,431
Right-of-Use Assets, Net	1,981,702	-	-	1,981,702	-	1,981,702
Total Other Assets	<u>55,176,933</u>	<u>-</u>	<u>-</u>	<u>55,176,933</u>	<u>497,733</u>	<u>55,674,666</u>
<b>PROPERTY, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS</b>						
Land and Improvements	834,216	-	-	834,216	-	834,216
Building	-	14,449,073	-	14,449,073	-	14,449,073
Equipment	45,300,534	-	-	45,300,534	-	45,300,534
Leasehold Improvements	382,510	-	-	382,510	-	382,510
Total	<u>46,517,260</u>	<u>14,449,073</u>	<u>-</u>	<u>60,966,333</u>	<u>-</u>	<u>60,966,333</u>
Accumulated Depreciation and Amortization	(39,864,432)	(8,931,389)	-	(48,795,821)	-	(48,795,821)
Construction in Progress	923,782	-	-	923,782	-	923,782
Net Property, Equipment, and Leasehold Improvements	<u>7,576,610</u>	<u>5,517,684</u>	<u>-</u>	<u>13,094,294</u>	<u>-</u>	<u>13,094,294</u>
Total Assets	<u>\$ 68,407,494</u>	<u>\$ 5,517,684</u>	<u>\$ 145,747</u>	<u>\$ 74,070,925</u>	<u>\$ 27,102</u>	<u>\$ 74,098,027</u>
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable and Accrued Expenses	\$ 4,291,184	\$ -	\$ 162,849	\$ 4,454,033	\$ -	\$ 4,454,033
Intercompany Payable	-	-	470,631	470,631	(470,631)	-
Deferred Revenue	1,440,221	-	10,000	1,450,221	-	1,450,221
Lease Liabilities	768,011	-	-	768,011	-	768,011
Total Current Liabilities	<u>6,499,416</u>	<u>-</u>	<u>643,480</u>	<u>7,142,896</u>	<u>(470,631)</u>	<u>6,672,265</u>
<b>NONCURRENT LIABILITIES</b>						
Deferred Other	207,202	-	-	207,202	-	207,202
Long-Term Lease Liabilities	1,288,773	-	-	1,288,773	-	1,288,773
Total Noncurrent Liabilities	<u>1,495,975</u>	<u>-</u>	<u>-</u>	<u>1,495,975</u>	<u>-</u>	<u>1,495,975</u>
<b>NET ASSETS (DEFICIT)</b>						
Common Stock	-	-	1,000	1,000	(1,000)	-
Accumulated Deficit	-	-	(498,733)	(498,733)	498,733	-
Net Assets Without Donor Restrictions	58,264,023	5,517,684	-	63,781,707	-	63,781,707
Net Assets With Donor Restrictions	2,148,080	-	-	2,148,080	-	2,148,080
Total Net Assets (Deficit)	<u>60,412,103</u>	<u>5,517,684</u>	<u>(497,733)</u>	<u>65,432,054</u>	<u>497,733</u>	<u>65,929,787</u>
Total Liabilities and Net Assets (Deficit)	<u>\$ 68,407,494</u>	<u>\$ 5,517,684</u>	<u>\$ 145,747</u>	<u>\$ 74,070,925</u>	<u>\$ 27,102</u>	<u>\$ 74,098,027</u>

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES –**  
**WITHOUT DONOR RESTRICTIONS**  
**YEAR ENDED JUNE 30, 2025**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Connecticut Public Broadcasting, Inc.	Real Estate Holding Company Inc.	MediaVision Productions Inc.	Total	Eliminations	Consolidated
<b>REVENUES</b>						
Underwriting Support	\$ 8,133,132	\$ -	\$ -	\$ 8,133,132	\$ -	\$ 8,133,132
Subscription and Membership Income	7,020,473	-	-	7,020,473	-	7,020,473
Annual Spending Distribution	2,578,210	-	-	2,578,210	-	2,578,210
Corporation for Public Broadcasting	2,466,650	-	-	2,466,650	-	2,466,650
Video Services	-	-	953,296	953,296	-	953,296
Planned Gifts and Bequests	411,722	-	-	411,722	-	411,722
Contributed In-Kind Support	205,642	-	-	205,642	-	205,642
Nonbroadcasting Services	36,445	-	-	36,445	-	36,445
Miscellaneous	100,705	-	-	100,705	-	100,705
Donated Personal Services of Volunteers	24,875	-	-	24,875	-	24,875
Release from Restriction	1,309,461	-	-	1,309,461	-	1,309,461
Total Revenues	<u>22,287,315</u>	<u>-</u>	<u>953,296</u>	<u>23,240,611</u>	<u>-</u>	<u>23,240,611</u>
<b>EXPENSES</b>						
Program Services:						
Programming and Production	14,066,691	-	-	14,066,691	-	14,066,691
Broadcasting	1,039,410	-	-	1,039,410	-	1,039,410
Contributed In-Kind Support	205,092	-	-	205,092	-	205,092
Program Information	1,165,127	-	-	1,165,127	-	1,165,127
Total Program Services	<u>16,476,320</u>	<u>-</u>	<u>-</u>	<u>16,476,320</u>	<u>-</u>	<u>16,476,320</u>
Supporting Services:						
Fundraising and Membership Development:						
Membership Development	2,692,974	-	-	2,692,974	-	2,692,974
Other Fundraising Expenses	1,061,501	-	-	1,061,501	-	1,061,501
Contributed In-Kind Support	550	-	-	550	-	550
Donated Personal Services of Volunteers	24,875	-	-	24,875	-	24,875
Management and General	3,826,340	-	-	3,826,340	-	3,826,340
Total Supporting Services	<u>7,606,240</u>	<u>-</u>	<u>-</u>	<u>7,606,240</u>	<u>-</u>	<u>7,606,240</u>
Voluntary Separation Costs	(112,476)	-	-	(112,476)	-	(112,476)
Reorganization Costs	(17,331)	-	-	(17,331)	-	(17,331)
Video Services:						
Cost of Production	-	-	956,664	956,664	-	956,664
General and Administrative	-	-	121,680	121,680	-	121,680
Total Video Services	<u>-</u>	<u>-</u>	<u>1,078,344</u>	<u>1,078,344</u>	<u>-</u>	<u>1,078,344</u>
Total Expenses	<u>23,952,753</u>	<u>-</u>	<u>1,078,344</u>	<u>25,031,097</u>	<u>-</u>	<u>25,031,097</u>
Equity in Net Gain of Consolidated Subsidiary	<u>(125,048)</u>	<u>-</u>	<u>-</u>	<u>(125,048)</u>	<u>125,048</u>	<u>-</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS BEFORE OTHER ACTIVITIES</b>	<u>(1,790,486)</u>	<u>-</u>	<u>(125,048)</u>	<u>(1,915,534)</u>	<u>125,048</u>	<u>(1,790,486)</u>

**CONNECTICUT PUBLIC BROADCASTING, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES –**  
**WITHOUT DONOR RESTRICTIONS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Connecticut Public Broadcasting, Inc.	Real Estate Holding Company Inc.	MediaVision Productions Inc.	Total	Eliminations	Consolidated
<b>OTHER ACTIVITIES</b>						
Income from Licensing of Intangible Assets	\$ 1,849,504	\$ -	\$ -	\$ 1,849,504	\$ -	\$ 1,849,504
Investment Return, Net	5,042,546	-	-	5,042,546	-	5,042,546
Release of Restricted Assets for Capital Additions	377,355	-	-	377,355	-	377,355
Transfer of Funds	4,939	-	-	4,939	-	4,939
Interest Expense	(150,179)	-	-	(150,179)	-	(150,179)
Depreciation and Amortization	(1,423,147)	(483,126)	(62,200)	(1,968,473)	62,200	(1,906,273)
Annual Spending Distribution	(2,578,210)	-	-	(2,578,210)	-	(2,578,210)
Transfer of Assets	(77,641)	77,641	-	-	-	-
Net Other Activities	<u>3,045,167</u>	<u>(405,485)</u>	<u>(62,200)</u>	<u>2,577,482</u>	<u>62,200</u>	<u>2,639,682</u>
<b>CHANGE IN NET ASSETS</b>	1,254,681	(405,485)	(187,248)	661,948	187,248	849,196
Net Assets Without Donor Restrictions - Beginning of Year	<u>57,009,342</u>	<u>5,923,169</u>	<u>(311,485)</u>	<u>62,621,026</u>	<u>311,485</u>	<u>62,932,511</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR</b>	<u>\$ 58,264,023</u>	<u>\$ 5,517,684</u>	<u>\$ (498,733)</u>	<u>\$ 63,282,974</u>	<u>\$ 498,733</u>	<u>\$ 63,781,707</u>



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