

**NEW ENGLAND PUBLIC MEDIA, INC.
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024**



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**NEW ENGLAND PUBLIC MEDIA, INC.
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INDEPENDENT AUDITORS' REPORT

Board of Directors
New England Public Media, Inc.
Springfield, Massachusetts

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of New England Public Media, Inc., 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 New England Public Media, Inc. as of June 30, 2025 and 2024, and the changes in their net assets and their 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 Consolidated Financial Statements section of our report. We are required to be independent of New England Public Media and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these 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 New England Public Media ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated 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 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 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 consolidated 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 New England Public Media, 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about New England Public Media '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.



CliftonLarsonAllen LLP

Boston, Massachusetts
November 18, 2025

NEW ENGLAND PUBLIC MEDIA, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

ASSETS	2025	2024
CURRENT ASSETS		
Cash	\$ 336,137	\$ 262,590
Accounts Receivable, Net of Allowance for Credit Losses of \$132,862 and \$81,943	290,227	344,084
Grants Receivable	139,029	55,572
Current Portion of Pledges Receivable, Net	5,600	46,900
Prepaid Expenses and Other Assets	96,169	149,599
Total Current Assets	867,162	858,745
Long-Term Pledges Receivable, Net	-	4,722
Radio Licenses	2,780,000	2,780,000
Other Assets	25,594	24,508
Long-Term Investments	5,729,382	5,307,722
Property, Facilities, and Equipment, Net	4,749,452	5,035,421
Right-of-Use Asset	3,150,726	3,337,623
Total Assets	\$ 17,302,316	\$ 17,348,741
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current Maturities of Debt	\$ 7,200,236	\$ 5,839,823
Accounts Payable	398,771	487,705
Accrued Expenses	1,020,868	1,134,449
Deferred Revenue and Other Liabilities	57,958	54,367
Lease Liabilities	156,187	139,118
Total Current Liabilities	8,834,020	7,655,462
Long-Term Debt, Net	245,966	308,943
Long-Term Lease Liabilities	3,525,595	3,659,804
Total Liabilities	12,605,581	11,624,209
 NET ASSETS		
Without Donor Restrictions	743,754	1,594,928
With Donor Restrictions	3,952,981	4,129,604
Total Net Assets	4,696,735	5,724,532
Total Liabilities and Net Assets	\$ 17,302,316	\$ 17,348,741

See accompanying Notes to Consolidated Financial Statements.

NEW ENGLAND PUBLIC MEDIA, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE			
Underwriting	\$ 1,547,843	\$ -	\$ 1,547,843
Viewer and Listener Support	4,332,958	-	4,332,958
Grants and Contributions	88,422	484,777	573,199
Community Service Grants from Corporation for Public Broadcasting	459,611	-	459,611
Other Services Revenue	3,600	-	3,600
Planned Giving	189,234	-	189,234
Change in Value of Split Interest Agreements	-	1,085	1,085
Contributed Nonfinancial Assets	458,198	-	458,198
Miscellaneous Income	126,625	-	126,625
Total Operating Revenue	<u>7,206,491</u>	<u>485,862</u>	<u>7,692,353</u>
Net Assets Released from Restrictions	695,878	(695,878)	-
Total Operating Revenue and Other Support	<u>7,902,369</u>	<u>(210,016)</u>	<u>7,692,353</u>
OPERATING EXPENSES			
Program Services:			
Programming and Production	2,889,735	-	2,889,735
Broadcasting	3,231,329	-	3,231,329
Public Information, Guides, and Educational Material	656,724	-	656,724
Total Program Services	<u>6,777,788</u>	<u>-</u>	<u>6,777,788</u>
Supporting Services:			
Fundraising and Development	1,774,389	-	1,774,389
Underwriting	672,334	-	672,334
General and Administrative	2,741,475	-	2,741,475
Total Supporting Services	<u>5,188,198</u>	<u>-</u>	<u>5,188,198</u>
Total Operating Expenses	<u>11,965,986</u>	<u>-</u>	<u>11,965,986</u>
(Deficit) Surplus of Operating Revenue and Other Support Over Operating Expenses	(4,063,617)	(210,016)	(4,273,633)
NONOPERATING GAINS (LOSSES)			
Unrealized Gains on Investments	219,681	16,650	236,331
Realized (Loss) Gains on Investments	(15)	1,052	1,037
Investment Income, Net	189,311	15,691	205,002
(Loss) on Disposal of Assets	(37,920)	-	(37,920)
Nonoperating Gains, Net	<u>371,057</u>	<u>33,393</u>	<u>404,450</u>
Change in Net Assets Before Equity Transfers	(3,692,560)	(176,623)	(3,869,183)
Equity Transfers from WGBH Educational Foundation	2,841,386	-	2,841,386
CHANGE IN NET ASSETS	(851,174)	(176,623)	(1,027,797)
Net Assets - Beginning of Year	<u>1,594,928</u>	<u>4,129,604</u>	<u>5,724,532</u>
NET ASSETS - END OF YEAR	<u>\$ 743,754</u>	<u>\$ 3,952,981</u>	<u>\$ 4,696,735</u>

See accompanying Notes to Consolidated Financial Statements.

NEW ENGLAND PUBLIC MEDIA, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE			
Underwriting	\$ 1,369,764	\$ -	\$ 1,369,764
Viewer and Listener Support	3,802,980	-	3,802,980
Grants and Contributions	92,706	544,883	637,589
Community Service Grants from Corporation for Public Broadcasting	257,900	-	257,900
Other Services Revenue	20,415	-	20,415
Planned Giving	451,425	450,000	901,425
Change in Value of Split Interest Agreements	-	3,580	3,580
Contributed Nonfinancial Assets	556,839	-	556,839
Miscellaneous Income	216,472	-	216,472
Total Operating Revenue	<u>6,768,501</u>	<u>998,463</u>	<u>7,766,964</u>
Net Assets Released from Restrictions	812,814	(812,814)	-
Total Operating Revenue and Other Support	<u>7,581,315</u>	<u>185,649</u>	<u>7,766,964</u>
OPERATING EXPENSES			
Program Services:			
Programming and Production	3,393,247	-	3,393,247
Broadcasting	3,762,157	-	3,762,157
Public Information, Guides, and Educational Material	623,822	-	623,822
Total Program Services	<u>7,779,226</u>	<u>-</u>	<u>7,779,226</u>
Supporting Services:			
Fundraising and Development	1,557,951	-	1,557,951
Underwriting	705,616	-	705,616
General and Administrative	2,186,947	-	2,186,947
Total Supporting Services	<u>4,450,514</u>	<u>-</u>	<u>4,450,514</u>
Total Operating Expenses	<u>12,229,740</u>	<u>-</u>	<u>12,229,740</u>
(Deficit) Surplus of Operating Revenue and Other Support Over Operating Expenses	(4,648,425)	185,649	(4,462,776)
NONOPERATING GAINS (LOSSES)			
Unrealized Gains on Investments	145,124	27,391	172,515
Realized (Loss) Gains on Investments	(61)	309	248
Investment Income, Net	132,128	9,570	141,698
(Loss) on Disposal of Assets	(6,389)	-	(6,389)
Nonoperating (Losses) Gains, Net	<u>270,802</u>	<u>37,270</u>	<u>308,072</u>
Change in Net Assets Before Equity Transfers	(4,377,623)	222,919	(4,154,704)
Equity Transfers from WGBH Educational Foundation	898,326	-	898,326
CHANGE IN NET ASSETS	<u>(3,479,297)</u>	<u>222,919</u>	<u>(3,256,378)</u>
Net Assets - Beginning of Year	<u>5,074,225</u>	<u>3,906,685</u>	<u>8,980,910</u>
NET ASSETS - END OF YEAR	<u>\$ 1,594,928</u>	<u>\$ 4,129,604</u>	<u>\$ 5,724,532</u>

See accompanying Notes to Consolidated Financial Statements.

NEW ENGLAND PUBLIC MEDIA, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025

	Program Services				Support Services				
	Programming and Production	Broadcasting	Public Information, Guides, and Educational Material	Total Program Services	Fundraising and Development	Underwriting	General and Administrative	Total Supporting Services	Total Operating Expenses
OPERATING EXPENSES									
Salaries and Wages	\$1,598,537	\$ 983,971	\$ 390,815	\$2,973,323	\$ 677,129	\$ 400,731	\$1,072,970	\$2,150,830	\$ 5,124,153
Retirement Plan Contributions	22,798	14,033	5,574	42,405	9,657	5,715	15,302	30,674	73,079
Other Employee Benefits	128,982	79,394	31,534	239,910	54,636	32,334	86,575	173,545	413,455
Payroll Taxes	58,074	35,747	14,198	108,019	24,600	14,558	38,981	78,139	186,158
Legal Fees	-	-	-	-	1,736	-	164,869	166,605	166,605
Accounting Fees	-	-	-	-	-	-	42,493	42,493	42,493
Consulting and Advisory Services	50,233	10,870	33,623	94,726	630,147	33,784	165,223	829,154	923,880
Marketing and Promotions	11,706	7,021	8,530	27,257	124,326	347	1,253	125,926	153,183
Information Technology	8,581	362,036	6,508	377,125	25,147	12,475	26,200	63,822	440,947
Occupancy	91,279	304,672	125,985	521,936	34,829	23,831	154,161	212,821	734,757
Travel	3,478	4,915	-	8,393	875	1,550	9,308	11,733	20,126
Interest	376	70,056	-	70,432	-	-	400,822	400,822	471,254
Depreciation and Amortization	8,965	583,365	-	592,330	-	-	80,577	80,577	672,907
Equipment Expense	6,399	1,373	-	7,772	885	-	36	921	8,693
Insurance	708	-	-	708	-	-	51,159	51,159	51,867
Digital Services	903	3,000	30,466	34,369	3,331	-	362	3,693	38,062
Rights and Licenses	2,880	-	-	2,880	-	-	-	-	2,880
Production and Acquisitions	866,036	749,217	2,014	1,617,267	34,045	150	14,372	48,567	1,665,834
In-Kind	-	15,337	-	15,337	-	93,625	349,236	442,861	458,198
Bad Debt	250	-	-	250	38,808	37,114	23,086	99,008	99,258
Miscellaneous	29,550	6,322	7,477	43,349	114,238	16,120	44,490	174,848	218,197
Total Operating Expenses	\$2,889,735	\$3,231,329	\$ 656,724	\$6,777,788	\$1,774,389	\$ 672,334	\$2,741,475	\$5,188,198	\$ 11,965,986

See accompanying Notes to Consolidated Financial Statements.

NEW ENGLAND PUBLIC MEDIA, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services			Support Services					
	Programming and Production	Broadcasting	Public Information, Guides, and Educational Material	Total Program Services	Fundraising and Development	Underwriting	General and Administrative	Total Supporting Services	Total Operating Expenses
OPERATING EXPENSES									
Salaries and Wages	\$ 1,793,498	\$ 895,685	\$ 343,047	\$ 3,032,230	\$ 398,888	\$ 313,482	\$ 985,054	\$ 1,697,424	\$ 4,729,654
Retirement Plan Contributions	20,937	10,456	4,005	35,398	4,657	3,660	11,500	19,817	55,215
Other Employee Benefits	135,355	67,597	25,890	228,842	30,104	23,658	74,342	128,104	356,946
Payroll Taxes	85,398	42,648	16,334	144,380	18,993	14,927	46,904	80,824	225,204
Legal Fees	-	-	-	-	150	-	59,550	59,700	59,700
Accounting Fees	-	-	-	-	-	-	45,793	45,793	45,793
Consulting and Advisory Services	79,163	14,890	60,140	154,193	649,439	81,641	179,651	910,731	1,064,924
Marketing and Promotions	15,378	4,144	29,039	48,561	138,284	25	9,431	147,740	196,301
Information Technology	5,898	500,887	3,975	510,760	28,164	9,623	56,064	93,851	604,611
Occupancy	73,166	725,292	86,811	885,269	42,590	14,910	152,131	209,631	1,094,900
Travel	5,485	5,608	582	11,675	559	2,723	12,197	15,479	27,154
Interest	2,321	73,604	-	75,925	-	-	297,285	297,285	373,210
Depreciation and Amortization	12,247	611,329	-	623,576	-	-	82,802	82,802	706,378
Equipment Expense	11,840	7,942	372	20,154	-	-	4,345	4,345	24,499
Insurance	2,341	-	-	2,341	-	-	46,566	46,566	48,907
Digital Services	4,735	-	17,056	21,791	-	-	981	981	22,772
Rights and Licenses	2,948	-	-	2,948	-	-	-	-	2,948
Production and Acquisitions	909,282	781,758	200	1,691,240	26,482	-	25,622	52,104	1,743,344
In-Kind	217,225	14,890	26,642	258,757	81,371	176,440	40,271	298,082	556,839
Bad Debt	(2,600)	400	-	(2,200)	61,576	61,110	(4,699)	117,987	115,787
Miscellaneous	18,630	5,027	9,729	33,386	76,694	3,417	61,157	141,268	174,654
Total Operating Expenses	\$ 3,393,247	\$ 3,762,157	\$ 623,822	\$ 7,779,226	\$ 1,557,951	\$ 705,616	\$ 2,186,947	\$ 4,450,514	\$ 12,229,740

See accompanying Notes to Consolidated Financial Statements.

NEW ENGLAND PUBLIC MEDIA, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in Net Assets	\$ (1,027,797)	\$ (3,256,378)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities:		
Unrealized Gains on Investments and Split Interest Agreements	(237,416)	(176,095)
Realized Gains on Investments	(1,037)	(248)
Depreciation and Amortization	506,144	539,159
Loss on Disposal of Assets	37,920	6,389
Amortization of Right-of-Use Assets	213,812	167,219
Contributions of Securities	24,260	10,618
Proceeds from Sale of Contributed Securities	(24,244)	(13,216)
Credit Loss Expense	99,259	52,637
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(34,254)	(45,672)
Grants Receivable	(95,000)	23,828
Pledges Receivable	46,417	3,114,308
Prepaid Expenses and Other Assets	53,430	(123,160)
Accounts Payable	(88,934)	(1,630,710)
Accrued Expenses	(103,132)	(143,919)
Deferred Revenue and Other Liabilities	3,591	(35,510)
Lease Liabilities	(46,891)	(84,425)
Right-of-Use Asset	-	617,476
Net Cash Used by Operating Activities	(673,872)	(977,699)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property, Facilities, and Equipment	(268,546)	(70,515)
Purchases of Investments	(184,968)	(3,846,975)
Proceeds from Sales of Investments	660	521,823
Net Cash Used by Investing Activities	(452,854)	(3,395,667)
CASH FLOWS FROM FINANCING ACTIVITIES		
Line of Credit Advances	7,347,021	13,164,192
Line of Credit Payments	(5,976,735)	(8,398,148)
Debt Principal Payments	(72,849)	(62,368)
Finance Lease Principal Payments	(97,164)	(270,989)
Proceeds from Issuance of Long-Term Debt	-	17,686
Net Cash Provided by Financing Activities	1,200,273	4,450,373
NET INCREASE IN CASH AND CASH EQUIVALENTS	73,547	77,007
Cash and Cash Equivalents - Beginning of Year	262,590	185,583
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 336,137	\$ 262,590

See accompanying Notes to Consolidated Financial Statements.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Financial Statement Presentation

The consolidated financial statements of New England Public Media, Inc. and affiliates (NEPM or the Organization) include the accounts of New England Public Media and its wholly owned affiliated stations (WGBY-TV, WNNU-FM, WNNZ-AM, WNNZ-FM, and WNNI-FM), collectively referred to herein as NEPM.

Effective July 23, 2019, the WGBH Educational Foundation (GBH or the Foundation) entered into an affiliation agreement with New England Public Radio (NEPR). NEPR business operations were combined with the Foundation's television station, WGBY, to create an entity called NEPM. GBH is the sole corporate member of NEPM.

All significant intercompany accounts and transactions have been eliminated.

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP). Net assets are classified as either with donor restrictions or without donor restrictions. In the accompanying consolidated financial statements, net assets that have similar characteristics have been combined into similar categories as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are the part of net assets of a not-for-profit entity that are not subject to donor-imposed restrictions. A donor-imposed restriction is a donor stipulation that specifies a use for a contributed asset that is more specific than broad limits resulting from the following: a) the nature of the not-for-profit entity, b) the environment in which it operates and c) the purposes specified in its articles of incorporation or bylaws or comparable documents. This classification includes all revenues, gains and expenses not restricted by donors. The Organization reports all expenditures in this class of net assets since the use of restricted contributions in accordance with donors' stipulations results in the release of the restriction.

Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors (the Board). Upon approval by the Board, transfers are made between undesignated and board-designated net assets without donor restrictions.

Net Assets with Donor Restrictions

Net assets with donor restrictions are the part of net assets of a not-for-profit entity subject to donor-imposed restrictions. These include contributions for which donor-imposed restrictions have not been met, endowment gifts required to be retained for either a term or in perpetuity, investment income and appreciation on endowment funds and pledges receivable.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets With Donor Restrictions (Continued)

Donor-imposed restrictions may expire due to the passage of time or through actions of the Organization pursuant to the stipulations of the donor. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as net assets released from restrictions. The Organization has not elected the simultaneous release option for unconditional non-exchange transactions that are also subject to purpose restrictions. Under this option, net assets without donor restrictions include the donor-restricted gifts and pledges whose purpose restrictions are met in the same reporting year as the revenue is recognized.

NEPM receives contributions from the Corporation for Public Broadcasting (CPB), organizations, major donors, states and federal agencies for the production of television and radio programming. These contributions are reported as increases in net assets with donor restrictions. NEPM's policy is to release the contributions into net assets without donor restrictions upon delivery of the completed programming.

Contributions received with donor restrictions are released from restriction as costs are incurred.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities in accordance with the overall mission of the Organization. In the consolidated statement of functional expenses, each functional classification displays all expenses related to the underlying operations by natural classification. Accordingly, certain costs, such as salaries, benefits, depreciation and maintenance have been allocated among the respective program and support services benefited based on total personnel costs or other systematic methods.

Use of Estimates

The preparation of the accompanying consolidated financial statements in conformity with GAAP requires management 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 consolidated financial statements and the revenues and expenses reported for the period. Significant estimates include radio licenses, assets held for sale, deferred revenue and other liabilities, and the valuation of non-marketable investments. Actual results could differ from those estimates.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Organization recognizes revenue from a variety of sources, including but not limited to the following:

- Local corporate sponsorship supporting operations is recognized as revenue without donor restrictions when the related sponsorship credit is run on the Organization's broadcasts. For the years ended June 30, 2025 and 2024, local corporate underwriting revenue was approximately \$1,548,000 and \$1,370,000.
- Viewer and listener support consists of contributions from the general public to support the general operations of the Organization and are recognized upon receipt.
- Revenue from unconditional contributions include Organization grants and gifts from major donors. They are recognized as revenue with or without donor restrictions upon notice of the donor's unconditional promise to give and are reflected in the grants and contributions line of the consolidated statement of activities. Revenue is released from restriction when the time or purpose restriction has been met.
- CPB grants are conditional contributions and recognized as revenue with donor restrictions when the related conditions are met. These non-exchange agreements are considered conditional if the terms of the agreement include both a right of return of assets received/promised and a barrier to entitlement. Conditional agreements are not recognized until the conditions and barriers on which they depend are met. They are reflected in the grants and contributions line of the consolidated statement of activities.
- Community service grants from the Corporation for Public Broadcasting (CPB) are recognized as revenue without donor restrictions upon receipt of the award letter from CPB.
- Planned giving consists of contributions from the estates of deceased donors. Revenue is recognized as increases in net assets without donor restrictions or with donor restrictions upon notification of the gift, depending on the nature of the restriction identified by the donor.
- Contributed nonfinancial assets (donated services and facilities) whose value is measurable are recorded at the estimated fair value of the related services or facilities as revenue and expense, or capitalized as assets, when received. The fair value is determined based on the donor's usual and customary fees charged to paying customers for equivalent goods and services. Donated services and materials are received by the Organization from various professional and educational organizations and relate principally to educational material promotion, advertising, and production in the support of national programming. The economic benefit and costs of these donated services and materials are recorded in the accompanying consolidated financial statements as revenue and expense at the estimated fair value of the services received to the extent that the services require specialized skills, would be purchased by the Organization if not donated, and that the services create or enhance nonfinancial assets.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

- Other services revenue consists of production services provided to other organizations. Revenue is recognized in net assets without donor restrictions over the period in which the service is provided.
- Miscellaneous income consists primarily of revenue derived from rental of space, and the filing of film tax credits. Rental income is recognized in the period in which the space is occupied, and film tax credit revenue is recognized when the tax credit application is submitted.

The consolidated statement of activities reflects the disaggregation of revenues earned during the fiscal year by the Organization. Revenues earned from underwriting, and other services are all recognized in accordance with ASC (Accounting Standards Codification) 606, *Contracts with Customers*. With the exception of rental income, which is recognized in accordance with ASC 842, *Leases*, all miscellaneous income is also recognized in accordance with ASC 606. Customer payment is generally due within 30 days of invoice date.

Revenues earned from contributions, community service grants, federal and CPB grants, and major donors are recognized in accordance with ASC 958, *Not-for-Profit Entities*.

Cash

The Organization maintains its cash balance with two institutions and was approximately \$336,000 and \$263,000 at June 30, 2025 and 2024, respectively. Cash includes amounts on deposit with financial institutions. The Organization maintains deposits in financial institutions that may, at times, exceed federal depository insurance limits. Management believes that the Organization's deposits are not subject to significant credit risk.

Investments

Investments are stated at fair value. Securities traded on a national securities exchange are valued at the last reported sales price on June 30, 2025 and 2024; investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and ask prices.

Investment income or loss (including unrealized and realized gains and losses on investments, interest, and dividends) and unrealized changes in investments are recorded as nonoperating gains (losses) unless the income is restricted by donor or law. If restricted by donor or law, they are reported as follows:

- As increases in net assets with donor restrictions if the terms of the underlying gift require that they be added to the principal of a permanent endowment fund; and
- As increases in net assets with donor restrictions if the terms of the underlying gift or relevant state law impose restrictions on the current use of the income or net gains. The Organization has relied on the Uniform Prudent Management of Institutional Funds Act (UPMIFA) enacted by the Commonwealth of Massachusetts in July 2009 regarding relevant state law that unappropriated endowment gains should generally be classified as net assets with donor restrictions until appropriated by the Board of Directors.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

Annually, the Organization reviews investments where the fair value is substantially below cost, and in cases where the decline is considered to be “other than temporary,” an adjustment is recorded as a realized loss, and a new cost basis is established. At June 30, 2025 and 2024, there were no investments that had fair values less than cost that were determined to be other than temporary.

Pledges Receivable

Unconditional promises to give are recorded as pledges receivable in the consolidated financial statements when the donor’s commitment is received. Unconditional promises to give that are expected to be fulfilled within one year are recorded at fair value. Multiyear unconditional promises are recognized at the present value of the future expected cash flows, less an appropriate reserve for uncollectible pledges. Discounts are calculated using the Organization’s taxable unsecured borrowing rate, which considers market and credit risk. Subsequent years’ accretion of the discount is included in contribution revenue and used in accordance with any donor-imposed restrictions on the contributions. The allowance for credit losses is based upon management’s judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors.

Conditional promises to give are considered conditional if the terms of the agreement include both a right of return of assets received/promised and a barrier to entitlement. Conditional agreements are not recognized as pledges receivable until the conditions and barriers on which they depend are met.

Accounts Receivable and Allowance for Credit Losses

Accounts receivables are reported net of an allowance for credit losses to represent the Organization's estimate of expected losses at the consolidated statement of financial position date. The adequacy of the Organization's allowance for credit losses is reviewed on an ongoing basis, using historical payment trends, write-off experience, analyses of receivable portfolios by payor source and aging of receivables, a review of specific accounts, as well as expected future economic conditions and market trends, and adjustments are made to the allowance as necessary. Management regularly reviews data about receivable balances of revenue in evaluating the sufficiency of the allowance for credit losses. Management believes the composition of receivables at year-end is consistent with historical conditions such as credit terms and practices and the customer base has not changed significantly. Also, management believes that future economic conditions will be comparable to prior year economic conditions and will not have a significant impact on collectability of receivables. At June 30, 2025 and 2024, the allowance for estimate of expected credit losses was approximately \$133,000 and \$82,000, respectively.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable and Allowance for Credit Losses

Changes in the allowance for credit losses for the years ended June 30, 2025 and 2024 were as follows:

	2025	2024
Balance, Beginning of Year	\$ 81,943	\$ 29,308
Provision for Credit Losses	51,019	52,634
Amounts Written Off	(100)	1
Balance, End of year	\$ 132,862	\$ 81,943

Radio Licenses

The Organization owns various radio licenses for four separate radio frequencies which cover the western Massachusetts area. These radio licenses are indefinite-lived assets and are subject to at least annual impairment testing.

The combined value for these radio and television licenses approximates \$2,780,000 for June 30, 2025 and 2024.

Property, Facilities, and Equipment

Property, facilities, and equipment are reported at cost at the date of acquisition, or estimated fair value at the date of donation, in the case of gifts, less accumulated depreciation. For assets placed in service, depreciation is provided using the straight-line method over the estimated useful life of the asset (or for leasehold improvements over the related lease term, whichever is shorter) which range from 3 to 40 years.

Maintenance and repairs are charged to expense as incurred; betterments are capitalized. Upon retirement or sale of property, facilities and equipment, the cost of the disposed assets and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to net assets without donor restrictions.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. U.S. GAAP requires the Organization to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). NEPM has analyzed the tax positions taken and has concluded that as of June 30, 2025 and 2024, there are no significant uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments

The fair value of the Organization's financial instruments approximates the carrying amount reported in the consolidated statement of financial position for cash, investments and payables.

Health Insurance Plan

NEPM is self-insured for all of their employee health insurance plans. These costs are accounted for on an accrual basis to include estimates of future payments on claims incurred as of the date of the consolidated statement of financial position and are included in accounts payable and accrued expenses on the consolidated statement of financial position.

Related Party Transactions

NEPM received donated services and facilities from GBH at a value of approximately \$1,523,000 and \$1,160,000 for the years ended June 30, 2025 and 2024. These donated services are recorded as equity transfers in the consolidated statements of activities. NEPM reimbursed and received other affiliation support for operations from GBH of approximately \$1,318,000 and \$(261,000), respectively, for the years ended June 30, 2025 and 2024, included in equity transfers from GBH in the consolidated statements of activities. NEPM has recorded in accounts payable net amounts due to GBH of approximately \$245,000 and \$416,000 at June 30, 2025 and 2024, respectively.

NOTE 2 PLEDGES RECEIVABLE

Pledges receivable at June 30 were comprised of the following:

	2025	2024
In Less Than One Year	\$ 7,600	\$ 49,895
Allowance for Unfulfilled Pledges	(2,000)	(2,995)
Pledges Receivable, Net	5,600	46,900
Between One Year and Five Years	-	5,000
Less: Present Value Discount	-	(278)
Long-Term Pledges Receivable, Net	-	4,722
Total Pledges	\$ 5,600	\$ 51,622

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 3 INVESTMENTS

Investments held by the Organization are comprised of the following at June 30:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Domestic Equities				
Foundation	\$ 5,403,981	\$ 5,729,382	\$ 5,218,651	\$ 5,307,722
Total Investments	<u>\$ 5,403,981</u>	<u>\$ 5,729,382</u>	<u>\$ 5,218,651</u>	<u>\$ 5,307,722</u>

NOTE 4 FAIR VALUE OF INVESTMENT ASSETS

The Organization values its investments at fair value in accordance with the *Fair Value Measurements* standard. Under this standard, fair value is defined as the price that would be received to sell an asset or be paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date. The standard principally affects investments (with and without donor restrictions); however, other applicable fair value measurements include discounting multi-year pledges on the initial date of recognition, and applicable liabilities of pooled income fund and charitable gift annuities.

Additionally, the standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement. However, the determination of what constitutes “observable” requires significant judgment by the Organization. NEPM considers observable data to be that market data which is readily available; regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Organization’s perceived risk of that instrument.

The availability of observable inputs can vary from product to product and is affected by a wide variety of factors, including for example, the type of product, whether the product is new and not yet established in the marketplace, the liquidity of markets and other characteristics particular to the transaction.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 4 FAIR VALUE OF INVESTMENT ASSETS (CONTINUED)

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Organization in determining fair value is greatest for instruments categorized in Level 3.

A description of the Organization's valuation methodologies for assets and liabilities measured at fair value is as follows:

Level 1 – is based upon quoted prices in active markets that the Organization has the ability to access for identical assets and liabilities. Market price data is generally obtained from exchange or dealer markets. The Organization does not adjust the quoted price for such assets and liabilities.

Level 2 – is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources including market participants, dealers, and brokers.

Level 3 – is typically based on unobservable inputs that are supported by little or no market activity and rely on assumptions and estimates about pricing derived from available information.

The following table presents the financial instruments carried at fair value and is intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position as of June 30:

		2025		
		Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs and/or Restrictions (Level 3)	Total
		Quoted Prices (Level 1)		
Domestic Equities		\$ 5,729,382	\$ -	\$ 5,729,382
Total Investments		\$ 5,729,382	\$ -	\$ 5,729,382

		2024		
		Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs and/or Restrictions (Level 3)	Total
		Quoted Prices (Level 1)		
Domestic Equities		\$ 5,307,722	\$ -	\$ 5,307,722
Total Investments		\$ 5,307,722	\$ -	\$ 5,307,722

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 4 FAIR VALUE OF INVESTMENT ASSETS (CONTINUED)

The Organization uses prices and inputs that are current as of the measurement date, including during periods of market dislocation. In periods of market dislocation, the observability of prices and inputs, including those obtained from external pricing sources, may be reduced for many instruments.

NOTE 5 PROPERTY, FACILITIES, AND EQUIPMENT

Property, facilities, and equipment consist of the following at June 30:

	<u>Useful Life</u>	<u>2025</u>	<u>2024</u>
Land and Land Improvements		\$ 233,222	\$ 233,222
Building and Improvements	3 to 40 Years	2,354,544	2,354,544
Broadcast, Video, and Film Equipment	3 to 20 Years	5,054,991	4,947,375
Office Equipment, Furniture, and Fixtures	3 to 25 Years	856,342	756,461
Fixed Assets Not Yet Placed Into Service		4,425	-
Subtotal		<u>8,503,524</u>	<u>8,291,602</u>
Less: Accumulated Depreciation		<u>(3,754,072)</u>	<u>(3,256,181)</u>
Property, Facilities, and Equipment, Net		<u>\$ 4,749,452</u>	<u>\$ 5,035,421</u>

During the years ended June 30, 2025 and 2024, disposed assets approximated \$73,000 and \$16,000, respectively. A loss on disposal of approximately \$38,000 and \$6,000 was recorded during the years ended June 30, 2025 and 2024, respectively.

Depreciation expense related to property, facilities, and equipment approximates \$506,000 and \$539,000 for the years ended June 30, 2025 and 2024, respectively.

NOTE 6 DEBT

NEPM entered into a term loan agreement with Bank of America (the term loan) for \$600,000 which is guaranteed by GBH. The proceeds of the term loan were used to refinance existing indebtedness of NEPM. The term loan is payable in equal installments of \$5,600, with interest due at a rate equal to 2.20% per annum through April 30, 2030.

Line of Credit

On June 27, 2024, NEPM entered into a revolving credit agreement in conjunction with GBH. Under this agreement, NEPM has access to a line of credit of \$8,000,000. Borrowings under the agreement are made at the CME term Secured Overnight Financing Rate (SOFR) Daily Floating Rate Loan. Interest on the outstanding principal will accrue at a rate equal to the SOFR Daily Floating Rate plus 0.875%. The interest rate as of June 30, 2025 was 6.33% (5.45% plus .875%). There was approximately \$7,347,000 withdrawn in fiscal year 2025 of which approximately \$5,977,000 was repaid as of June 30, 2025. There was approximately \$7,139,000 outstanding for NEPM on June 30, 2025, and approximately \$5,769,000 as of June 30, 2024.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 6 DEBT (CONTINUED)

Auto Loan

NEPM entered into a loan agreement, secured by auto, to BTLS, Inc, bearing interest at 10.21%. The loan is payable in monthly installments of approximately \$575, including interest, with a final maturity date in October 2025. There was approximately \$0 outstanding on the loan as of June 30, 2025.

NEPM debt payable consists of the following at June 30:

	Original Issuance	2025	2024
NEPM Bank of America Term Loan, Due 2030	\$ 600,000	\$ 306,737	\$ 371,073
NEPM Bank of America Line of Credit, Due 2025	\$ 8,000,000	7,139,465	5,769,180
NEPM Automobile Loan, Due 2025	17,686	-	8,513
Total	<u>\$ 8,617,686</u>	7,446,202	6,148,766
Less: Current Maturities		<u>7,200,236</u>	<u>5,839,823</u>
Long-Term Debt, Net		<u>\$ 245,966</u>	<u>\$ 308,943</u>

The scheduled principal payments are shown in the table below:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 7,200,236
2027	62,140
2028	63,532
2029	64,973
2030	55,321
Thereafter	-
Total Principal Payments	<u>\$ 7,446,202</u>

Total interest expense was approximately \$401,000 and \$297,000, respectively, for the years ended June 30, 2025 and 2024 and is included in general and administrative expenses on the consolidated statements of activities.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Organization determines if an arrangement is or contains a lease at inception of the contract. Right-of-use assets represent a right to use the underlying assets for the lease term and lease liabilities represent an obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate noted within the contract. If not readily available, a risk-free Treasury rate is utilized. A right-of-use asset and lease liability is not recognized for leases with an initial term of 12 months or less. Lease expense for these leases is recognized on a straight-line basis over the lease term.

The Organization's operating and finance lease agreements are for television or radio transmitters on telecommunication towers, equipment, and automobiles. Agreements typically have initial terms of 5 to 10 years. The leases may include one or more options to renew, with renewals that can extend the lease term from 10 to 50 years. The exercise of lease renewal options is at the Organization's sole discretion. When determining the lease term, the Organization has included options to extend or terminate the lease when it is reasonably certain that the option will be exercised.

Supplemental balance sheet information related to leases as of June 30, 2025 are as follows:

	Finance Lease	Operating Lease
Right-of-Use Assets - Leases	\$3,339,444	\$1,044,451
Accumulated Amortization	(944,283)	(288,886)
Right-of-Use Assets - Leases, Net	<u>\$ 2,395,161</u>	<u>\$ 755,565</u>
Current Portion of Right-of-Use Obligations	\$ 107,675	\$ 48,512
Long-Term Right-of- Use Obligations, Excluding Current Portion	2,809,017	716,578
Total Lease Liabilities	<u>\$ 2,916,692</u>	<u>\$ 765,090</u>
Weighted Average Remaining Lease Term Years	11.4	7.6
Weighted Average Discount Rate	1.85%	0.31%

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

Supplemental balance sheet information related to leases as of June 30, 2024 are as follows:

	Finance Lease	Operating Lease
Right-of-Use Assets - Leases	\$ 3,339,444	\$ 1,017,536
Accumulated Amortization	(777,520)	(241,837)
Right-of-Use Assets - Leases, Net	<u>\$ 2,561,924</u>	<u>\$ 775,699</u>
Current Portion of Right-of-Use Obligations	\$ 97,165	\$ 41,953
Long-Term Right-of-Use Obligations, Excluding Current Portion	2,916,691	743,113
Total Lease Liabilities	<u>\$ 3,013,856</u>	<u>\$ 785,066</u>
Weighted Average Remaining Lease Term Years	15.4	37.3
Weighted Average Discount Rate	2.37%	1.35%

Future maturities of lease liabilities as June 30, 2025 are as follows:

<u>Year Ending June 30,</u>	Finance Lease	Operating Lease
2026	175,342	59,082
2027	183,860	55,892
2028	192,794	51,313
2029	202,164	38,785
2030	211,993	33,397
Thereafter	2,543,652	747,956
Total Lease Payments	3,509,805	986,425
Less: Imputed Interest	(593,113)	(221,335)
Total Lease Payments	<u>\$ 2,916,692</u>	<u>\$ 765,090</u>

The components of lease expense for the years ended June 30, 2025 and 2024 are as follows:

	12 Months Ended June 30, 2025	12 Months Ended June 30, 2024
Operating Lease Cost	\$58,309	\$ 54,308
Variable and Short Term Lease Cost (a)	10,400	5,958
Total Operating Costs	<u>\$ 68,709</u>	<u>\$ 60,266</u>

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

	12 Months Ended June 30, 2025	12 Months Ended June 30, 2024
Finance Lease Cost		
Depreciation of Property Under Finance Lease	\$ 166,762	\$ 167,219
Interest on Debt of Property Under Finance Lease	70,056	73,604
Total Finance Lease Cost	<u>\$ 236,818</u>	<u>\$ 240,823</u>

(a) Includes certain equipment, automobiles, month-to-month and leases with a maturity of less than 12 months.

Cash paid for amounts included in the measurement of lease liabilities:

	12 Months Ended June 30, 2025	12 Months Ended June 30, 2024
Operating Cash Flows from Operating Leases	\$58,143	\$ 57,776
Operating Cash Flows from Finance Leases	70,056	73,604
Financing Cash Flows from Finance Leases	97,164	139,609

NOTE 8 RETIREMENT PLAN

The Organization has multiple defined contribution plans (the Plans) for eligible employees through the Teachers Insurance and Annuity Association (TIAA) and College Retirement Equity Fund in accordance with the provisions of Section 403(b) of the Internal Revenue Code. Contributions are made by the provisions of Section 403(b) of the Internal Revenue Code. The Organization's expense under the Plans approximates \$73,000 and \$55,000 for the year ended June 30, 2025, and 2024, respectively. The Organization has approximately \$10,000 liability for benefits as of June 30, 2025 and 2024. The Organization matched 80% of qualified employee salary deferrals for the largest plan for the years ended June 30, 2025, and 2024. These amounts are included within accrued expenses on the consolidated statement of financial position.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 9 COMPONENTS OF NET ASSETS

Net assets of NEPM consist of the following at June 30:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Undesignated	\$ (991,298)	\$ -	\$ (991,298)
Board-Designated Endowment	1,735,052	-	1,735,052
Grants for Future Programming	-	113,377	113,377
Capital Campaign and Other	-	3,470,091	3,470,091
Investments Held in Perpetuity	-	197,891	197,891
Appreciation of Investments Not Yet Released Into Operations	-	171,622	171,622
Total	<u>\$ 743,754</u>	<u>\$ 3,952,981</u>	<u>\$ 4,696,735</u>
	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Undesignated	\$ 4,306	\$ -	\$ 4,306
Board-Designated Endowment	1,590,622	-	1,590,622
Grants for Future Programming	-	34,400	34,400
Capital Campaign and Other	-	3,759,084	3,759,084
Investments Held in Perpetuity	-	197,891	197,891
Appreciation of Investments Not Yet Released Into Operations	-	138,229	138,229
Total	<u>\$ 1,594,928</u>	<u>\$ 4,129,604</u>	<u>\$ 5,724,532</u>

Endowments classified with donor restrictions are to be utilized for programming, fellowships, and operational support.

The Organization's endowment consists of donor-restricted endowment funds established for a variety of purposes. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Donor-restricted endowments are composed of the investments of contributed principal that have been restricted by the donor in perpetuity.

The Organization's endowment is subject to an enacted version of the UPMIFA, and as such, generally accepted accounting principles require disclosures about the Organization's endowment funds including both donor-restricted and board-designated endowment funds.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 9 COMPONENTS OF NET ASSETS (CONTINUED)

The policy governing the investment of the Organization's endowment is twofold: to provide a reasonable and prudent level of currently expendable income in accordance with the spending policy set by the Investment Committee from time to time and to support the Organization and its mission over the long term by ensuring that the future growth of the endowment is sufficient to offset normal inflation plus reasonable spending, thereby preserving the constant dollar value and purchasing power of the endowment for the benefit of future programs and services. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce a real return, net of inflation and investment management costs, of at least 5% over the long-term. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on investments to achieve its long-term objective within prudent risk constraints.

Changes in endowment net assets consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets at June 30, 2023	\$1,497,079	\$ 298,850	\$ 1,795,929
Investment Return:			
Investment Income	36,560	9,570	46,130
Net Appreciation (Realized and Unrealized)	138,377	27,700	166,077
Total Investment Gains	174,937	37,270	212,207
Appropriation of Endowment Assets	(81,394)	-	(81,394)
Endowment Net Assets at June 30, 2024	1,590,622	336,120	1,926,742
Investment Return:			
Investment Income	63,173	15,691	78,864
Net Appreciation (Realized and Unrealized)	81,257	17,702	98,959
Total Investment Gains	144,430	33,393	177,823
Appropriation of Endowment Assets	-	-	-
Endowment Net Assets at June 30, 2025	<u>\$ 1,735,052</u>	<u>\$ 369,513</u>	<u>\$ 2,104,565</u>

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 10 LIQUIDITY AND AVAILABILITY

The following resources could be available within one year for general expenditures, such as operating expenses, scheduled principal payments on debt, and capital construction costs not financed with debt as of June 30, 2025:

	<u>2025</u>	<u>2024</u>
Financial Assets:		
Cash	\$ 336,137	\$ 262,590
Accounts Receivable	290,227	344,084
Pledges Receivable Available for Operations	7,600	49,895
Financial Assets Available Within One Year	633,964	656,569
Liquidity Resources:		
Bank Lines and Letter of Credit (Undrawn)	<u>860,535</u>	<u>2,230,820</u>
Financial Assets and Liquidity Resources Available Within One Year	<u>\$ 1,494,499</u>	<u>\$ 2,887,389</u>

NOTE 11 COMMITMENTS AND CONTINGENCIES

The Organization is obligated to make rental payments under various noncancelable operating lease agreements. Refer to Note 8 for additional information on lease commitments to be paid in the future.

Under operating lease agreements, the Organization rents certain office space to third parties. The total of future minimum rentals to be received by NEPM under the noncancelable leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	135,000
2027	180,000
2028	180,000
2029	180,000
2030	180,000
Thereafter	1,035,000
Total Principle Payments	<u>\$ 1,890,000</u>

Rental income for building leases approximates \$120,000 and \$130,000 for the years ended June 30, 2025 and 2024, respectively. These amounts have been recorded in miscellaneous income in the consolidated statements of activities.

NEW ENGLAND PUBLIC MEDIA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 12 CONTRIBUTED NONFINANCIAL ASSETS

The Organization received contributed professional services, supporting services, and trade-in services during fiscal years 2025 and 2024. Donated services are measured at their estimated fair value and have been included in the consolidated statements of activities. The Organization receives donated services from primarily three sources: administrative services, trade services, and other services. These services do require specialized skills and, therefore, meet the requirement to be recognized in the consolidated financial statements. Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed services and promises to give that do not meet the above criteria are not recognized. NEPM received donated administrative services and facilities approximate \$349,000 and \$366,000 for the years ended June 30, 2025 and June 30, 2024, respectively. Donated administrative and facilities fair market value are determined by the grantor. Additionally, a total approximate value of \$109,000 and \$191,000 in contributed non-financial services were received for the year ended June 30, 2025, and June 30, 2024, respectively, for airing of spots on the radio and television stations and other services. Other services include contributed television broadcast management system software license. Fair market values is based upon supplier provided invoices. These services are recorded as contributed non-financial assets in the consolidated statements of activities.

NOTE 13 FUTURE OPERATIONS

On July 24, 2025, the Rescissions Act of 2025 was signed into law, eliminating all federal funding for public media. This will result in a significant loss of revenue for the Organization in fiscal years 2026 and 2027. While the short-term impact of these reductions is still being assessed, management has analyzed the future operations to alleviate any doubt about Organization's ability to continue as a going concern. The following are areas of critical information:

- Related Party – The Organization is being supported by its parent organization, GBH. GBH has committed continued support of the Organization and guarantees the line of credit that the Organization has outstanding.
- Expense Reduction – The Organization shares expenses with GBH for programming and general administration in which the parent organization plans to provide additional in-kind contributions for these services, therefore, reducing expenses paid for by the Organization.

Management is committed to addressing these challenges and is exploring available options. The Organization is reassessing the budget and initiatives for the future and believes these efforts will mitigate any substantial doubt regarding its going concern.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 14 SUBSEQUENT EVENTS

The Organization recognizes in the consolidated financial statement the effects of all subsequent events that provide additional evidence about conditions that existed at the dates of the consolidated statement of financial position. The Organization does not recognize subsequent events that provide evidence about conditions that did not exist at the dates of the consolidated statement of financial position but arose after the consolidated statement of financial position dates but before the consolidated financial statement are issued. For these purposes, the Organization has evaluated events occurring subsequent to the consolidated statement of financial position date through November 18, 2025, the date the consolidated financial statements were issued.



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