

**NORTHERN COMMUNITY RADIO, INC.
FINANCIAL STATEMENTS,
SUPPLEMENTAL INFORMATION
AND
INDEPENDENT AUDITOR'S REPORT
SEPTEMBER 30, 2022 AND 2021**

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Northern Community Radio, Inc.

Opinion

We have audited the accompanying financial statements of Northern Community Radio, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2022 and 2021, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northern Community Radio, Inc. as of September 30, 2022 and 2021, 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 audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Northern Community Radio, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

KBA Peterson Associates, Inc.

Bemidji, MN
March 27, 2023

NORTHERN COMMUNITY RADIO, INC.
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 589,942	\$ 318,053
Accounts Receivable	25,879	20,103
Grants Receivable	35,684	55,865
Net Pledges Receivable	59,432	57,290
Prepaid Expenses	12,860	63,696
Total Current Assets	<u>723,797</u>	<u>515,007</u>
<u>Fixed Assets</u>		
Equipment	2,098,635	1,336,627
Leasehold Improvements	119,020	119,020
Building	821,357	719,088
Land	329,297	243,497
Construction in Progress	-	902,604
Less: Accumulated Depreciation	<u>(1,626,854)</u>	<u>(1,529,853)</u>
Total Fixed Assets	1,741,455	1,790,983
<u>Other Assets</u>		
Intangible Costs	73,412	20,364
Less: Accumulated Amortization	<u>(23,536)</u>	<u>(16,381)</u>
Total Other Assets	<u>49,876</u>	<u>3,983</u>
 TOTAL ASSETS	 <u><u>\$ 2,515,128</u></u>	 <u><u>\$ 2,309,973</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts Payable	\$ 15,348	\$ 60,256
Accrued Payroll	10,063	10,063
Accrued Taxes	6,152	640
Accrued Vacation Leave	15,122	47,467
Refundable Advances	252,649	-
Total Current Liabilities	<u>299,334</u>	<u>118,426</u>
<u>Net Assets</u>		
Without Donor Restrictions	2,215,181	2,190,934
With Donor Restrictions	613	613
Total Net Assets	<u>2,215,794</u>	<u>2,191,547</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 2,515,128</u></u>	 <u><u>\$ 2,309,973</u></u>

See Accompanying Notes to Financial Statements.

NORTHERN COMMUNITY RADIO, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
NET ASSETS WITHOUT RESTRICTIONS		
<u>Revenues and Support</u>		
Contributions	\$ 301,049	\$ 296,789
Underwriting	166,344	151,872
Endowment	15,649	15,292
Grants	880,558	1,029,723
Special Events	315,753	1,745
AMPERS	12,856	15,854
Interest Income	17	129
Other Income	29,177	32,072
Total Revenues and Support	<u>1,721,403</u>	<u>1,543,476</u>
<u>Net Assets Released from Restrictions</u>		
Satisfied by Purpose	<u>-</u>	<u>368,871</u>
Total Revenues, Support and Net Assets Released from Restrictions	<u>1,721,403</u>	<u>1,912,347</u>
 <u>Expenses</u>		
Program Services		
Programming and Production	1,014,572	822,830
Engineering and Broadcasting	98,202	83,402
Program Information	4,686	5,029
Total Program Services	<u>1,117,460</u>	<u>911,261</u>
Support Services		
Management and General	94,399	117,714
Membership and Fundraising	472,270	100,264
Underwriting and Grant Solicitation	13,027	45,615
Total Support Services	<u>579,696</u>	<u>263,593</u>
Total Expenses	<u>1,697,156</u>	<u>1,174,854</u>
 CHANGE IN NET ASSETS WITHOUT RESTRICTIONS	 24,247	 737,493
 NET ASSETS WITH RESTRICTIONS		
Net Assets Released from Restrictions	<u>-</u>	<u>(368,871)</u>
 CHANGE IN NET ASSETS WITH RESTRICTIONS	 <u>-</u>	 <u>(368,871)</u>
 CHANGE IN NET ASSETS	 24,247	 368,622
 NET ASSETS, BEGINNING OF YEAR	 <u>2,191,547</u>	 <u>1,822,925</u>
 NET ASSETS, END OF YEAR	 <u>\$ 2,215,794</u>	 <u>\$ 2,191,547</u>

See Accompanying Notes to Financial Statements.

NORTHERN COMMUNITY RADIO, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Program Services				Support Services				
	Programming and Production	Engineering and Broadcasting	Program Information	Total Program Services	Management and General	Membership and Fundraising	Underwriting and Grant Solicitation	Total Support Services	Total
Salaries	\$ 251,013	\$ 66,008	\$ 4,342	\$ 321,363	\$ 62,965	\$ 92,815	\$ 10,686	\$ 166,466	\$ 487,829
Payroll Taxes	22,029	5,249	344	27,622	5,041	7,314	854	13,209	40,831
Employee Benefits	103,782	777	-	104,559	3,211	-	-	3,211	107,770
Advertising and Promotion	28,541	-	-	28,541	-	20,458	-	20,458	48,999
Professional Fees	488	-	-	488	8,050	26	-	8,076	8,564
Bank Fees	70	-	-	70	162	8,498	-	8,660	8,730
Bad Debts	-	-	-	-	-	523	-	523	523
Program Acquisition	176,140	-	-	176,140	-	-	-	-	176,140
Special Project Expense	156,625	-	-	156,625	-	-	-	-	156,625
National Public Radio Expense	50,195	-	-	50,195	-	-	-	-	50,195
Repairs and Maintenance	16,209	8,789	-	24,998	182	-	-	182	25,180
Depreciation	66,736	6,787	-	73,523	6,787	31,672	1,131	39,590	113,113
Amortization	4,238	427	-	4,665	427	1,992	71	2,490	7,155
Dues and Subscriptions	16,664	616	-	17,280	222	2,041	-	2,263	19,543
Special Events Expense	8,196	-	-	8,196	-	299,055	-	299,055	307,251
Staff Development	3,322	-	-	3,322	267	-	-	267	3,589
Insurance	19,397	-	-	19,397	1,540	-	-	1,540	20,937
Miscellaneous	2,676	368	-	3,044	4,300	1,454	-	5,754	8,798
Postage	27	-	-	27	138	3,514	-	3,652	3,679
Rent	6,452	-	-	6,452	-	-	-	-	6,452
Supplies	5,116	1,129	-	6,245	966	2,371	90	3,427	9,672
Travel	64	2,604	-	2,668	141	-	-	141	2,809
Utilities	76,592	5,448	-	82,040	-	537	195	732	82,772
Total Expenses	<u>\$ 1,014,572</u>	<u>\$ 98,202</u>	<u>\$ 4,686</u>	<u>\$ 1,117,460</u>	<u>\$ 94,399</u>	<u>\$ 472,270</u>	<u>\$ 13,027</u>	<u>\$ 579,696</u>	<u>\$ 1,697,156</u>

See Accompanying Notes to Financial Statements.

NORTHERN COMMUNITY RADIO, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Program Services				Support Services				
	Programming and Production	Engineering and Broadcasting	Program Information	Total Program Services	Management and General	Membership and Fundraising	Underwriting and Grant Solicitation	Total Support Services	Total
Salaries	\$ 323,677	\$ 55,087	\$ 4,181	\$ 382,945	\$ 73,527	\$ 60,857	\$ 39,317	\$ 173,701	\$ 556,646
Payroll Taxes	24,489	4,400	328	29,217	5,937	4,917	3,192	14,046	43,263
Employee Benefits	111,528	-	-	111,528	745	-	-	745	112,273
Advertising and Promotion	24,509	650	-	25,159	-	9,659	-	9,659	34,818
Professional Fees	12,683	-	-	12,683	7,279	-	-	7,279	19,962
Bank Fees	90	-	-	90	63	7,430	-	7,493	7,583
Bad Debts	-	-	-	-	-	-	511	511	511
Program Acquisition	61,443	-	49	61,492	-	-	-	-	61,492
Special Project Expense	-	-	-	-	-	-	-	-	-
National Public Radio Expense	47,055	-	-	47,055	-	-	-	-	47,055
Repairs and Maintenance	21,482	7,160	-	28,642	148	-	-	148	28,790
Depreciation	43,649	5,337	254	49,240	6,354	5,401	2,541	14,296	63,536
Amortization	933	114	5	1,052	136	115	54	305	1,357
Dues and Subscriptions	19,974	230	-	20,204	-	347	-	347	20,551
Special Events Expense	26,189	-	-	26,189	2,832	5,479	-	8,311	34,500
Staff Development	2,818	-	-	2,818	80	-	-	80	2,898
Insurance	22,752	1,022	-	23,774	1,553	-	-	1,553	25,327
Miscellaneous	427	374	-	801	12,114	824	-	12,938	13,739
Postage	87	4	-	91	55.0	3,263	-	3,318	3,409
Rent	7,019	-	-	7,019	500	-	-	500	7,519
Supplies	4,858	3,500	212	8,570	780	1,231	-	2,011	10,581
Travel	-	72	-	72	5,034	-	-	5,034	5,106
Utilities	67,168	5,452	-	72,620	577	741	-	1,318	73,938
Total Expenses	<u>\$ 822,830</u>	<u>\$ 83,402</u>	<u>\$ 5,029</u>	<u>\$ 911,261</u>	<u>\$ 117,714</u>	<u>\$ 100,264</u>	<u>\$ 45,615</u>	<u>\$ 263,593</u>	<u>\$ 1,174,854</u>

See Accompanying Notes to Financial Statements.

NORTHERN COMMUNITY RADIO, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>Cash Flows From Operating Activities</u>		
Change in Net Assets	\$ 24,247	\$ 368,622
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	113,113	63,536
Amortization	7,155	1,357
Change in Allowance for Doubtful Accounts	(185)	-
(Increase) Decrease in Current Assets:		
Accounts Receivable	(5,776)	4,287
Grants Receivable	20,181	(34,500)
Pledges Receivable	(1,958)	(4,010)
Prepaid Expenses	50,836	(12,399)
Tower Construction Deposit	-	403,313
Increase (Decrease) in Current Liabilities:		
Accounts Payable	(44,908)	52,857
Accrued Payroll	-	3,213
Accrued Taxes	5,512	640
Accrued Vacation Leave	(32,345)	20,934
Refundable Advances	252,649	(21,906)
Net Cash From Operating Activities	388,521	845,944
<u>Cash Flows From Investing Activities</u>		
Purchase of Fixed Assets	(116,632)	(874,131)
Net Cash From Investing Activities	(116,632)	(874,131)
CHANGE IN CASH AND CASH EQUIVALENTS	271,889	(28,187)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	318,053	346,240
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 589,942</u>	<u>\$ 318,053</u>

See Accompanying Notes to Financial Statements.

NORTHERN COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Northern Community Radio, Inc. was incorporated on February 11, 1971 to operate a rural public radio station. Northern Community Radio, Inc. operates two unique, community-based public radio stations, KAXE and KBXE. The organization serves most of north central and northeastern Minnesota with stations located in Grand Rapids and Bemidji, Minnesota. The main sources of revenues are community contributions, underwriting revenue, and grants.

Income Tax Status

The organization qualifies as a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code and therefore, has no provision for income taxes. It is not a private foundation.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The organization follows the reporting requirements of accounting principles generally accepted in the United States of America, which require that resources be classified for reporting purposes based on the existence or absences of donor-imposed restrictions. Descriptions of the two net asset categories follow:

Net Assets Without Donor Restrictions- Net assets available for general use and not subject to donor restrictions.

Net Assets With Donor Restrictions – Net assets whose use is limited by donor-imposed, time and/or purpose restrictions.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statements of financial position and cash flows, the organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

NORTHERN COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The statements of functional expenses present expenses by function and natural category. Expenses directly attributable to a specific functional expense category are reported as expenses of those categories. Expenses attributed to more than one functional expense category are allocated on the basis of estimates of time and effort.

Advertising Costs

The cost of advertising is expensed in the period the advertising occurred.

Fixed Assets

Fixed assets are recorded at cost. Donated items are recorded at estimated fair value. Such donations are recorded as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expenses as incurred. Depreciation is provided over the estimated useful lives of the assets on a straight-line basis. Useful lives range from 3 to 20 years for equipment, and 10 to 40 years for buildings and improvements. Non-depreciable assets are land and construction in progress.

Donated Services and Non-Cash Transactions

The organization receives donated services from individuals who volunteer for program services and as board members. Donated services are recorded when there is an objective basis to measure the value of such services and the service involves specialized skills that would be purchased if not provided by donation. The organization received donated services during the year which have not been reflected in the statements since they do not meet accounting principles generally accepted in the United States of America's criteria for recognition. During the year the organization entered into exchange transactions to provide underwriting and in return received items such as advertising, maintenance, and supplies. Non-monetary transactions recorded as underwriting revenue and associated expenses totaled \$33,708 and \$25,396 for the years ended September 30, 2022 and 2021, respectively.

NORTHERN COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Underwriting revenues are client services considered exchange transactions and recognized when services are rendered at amounts expected to be paid. Fees are billed and paid monthly. Unearned income is deferred until services are rendered.

Contributions and grants are recorded as revenue upon receipt of cash or unconditional promise to give in which there is no right of return of assets contributed and an indication of any donor-imposed barriers or performance obligations as a condition of the contribution based upon the donor agreement. Contributions that are restricted by the donor and conditional contributions are reported as an increase in net assets without donor restrictions if the restriction or condition expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date are as follows:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 589,942	\$ 318,053
Accounts Receivable	25,879	20,103
Grants Receivable	35,684	55,865
Pledges Receivable, Net	<u>59,432</u>	<u>57,290</u>
Total	<u>\$ 710,937</u>	<u>\$ 451,311</u>

The organization structures its financial assets to be available as general expenditures, liabilities, and other obligations come due.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable consist of amounts receivable for underwriting. Accounts receivable are recorded at cost. The organization provides for an allowance for uncollectible receivables as needed based on estimated collection rates. Accounts are written off when all collection attempts are exhausted. As of September 30, 2022 and 2021, management believes all amounts are collectible, and therefore no allowance is needed. All accounts receivable are collectible within one year.

NOTE 4 – GRANTS RECEIVABLE

Grants receivable consist of amounts due from the State of Minnesota. Management believes all amounts are collectible within the next year, therefore an allowance for uncollectible accounts has not been established.

NORTHERN COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 5 – PLEDGES RECEIVABLE

Pledges receivable consist of amounts pledged by donors at September 30, 2022 and 2021. Unconditional pledges receivable are reported at fair value. The organization has provided for an allowance for uncollectible pledges receivable based on estimated collection rates. The allowance for uncollectible accounts was estimated at \$3,217 and \$3,401 as of September 30, 2022 and 2021, respectively. All pledges receivable are collectible within one year.

NOTE 6 – TOWER CONSTRUCTION

The organization was involved in a joint effort with Itasca County to construct a new tower, resulting in a construction in progress balance of \$902,604 as of September 30, 2021. The tower was put into service in October 2021. As part of this effort the organization raised funds through a capital campaign. Itasca County is the recipient of bonding funds from the State of Minnesota, which were utilized for this project. The tower is leased to Itasca County under a long-term ground lease and is leased back to the organization for operation. Both leases are of nominal amounts and are utilized to satisfy the legal requirements of using bonding funds.

NOTE 7 – OPERATING LEASE

The organization incurred rental expenses of \$6,452 and \$7,519 for the years ended September 30, 2022 and 2021, respectively. The various operating leases in effect during the years ended September 30, 2022 and 2021 were as follows:

Tower Space – Crow Wing County, Minnesota - The organization entered into a lease agreement with KSAX-TV, Inc. Monthly rent is \$350 per month.

Studio – Bemidji, Minnesota - The organization entered into a lease with Harmony Cooperative Grocery, Inc. beginning February 1, 2011 for a term of twenty years. Beginning February 1, 2016 rent equals 50% of the total annual real property taxes and assessments, apportioned monthly. As a result, annual rental commitments have been estimated.

The future minimum annual rental commitments are as follows:

For the fiscal years ending September 30,	
2023	\$ 2,252
2024	2,252
2025	2,252
2026	2,252
2027	<u>2,222</u>
Totals	<u>\$ 11,260</u>

NORTHERN COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of amounts received from donors that have restricted their use for particular projects. Net assets with donor restrictions were restricted for phenology for the years ended September 30, 2022 and 2021.

NOTE 9 – PENSION PLAN

The organization has a Simplified Employee Pension/Individual Retirement Account plan for the benefit of all part-time and full-time employees. The organization contributes 5% of gross wages to each employee's plan. Total retirement expense was \$25,963 and \$23,947 for the years ended September 30, 2022 and 2021, respectively.

NOTE 10 – PAYCHECK PROTECTION PROGRAM

The organization received loan proceeds under the Small Business Administration's Paycheck Protection Program, established under the Coronavirus Aid, Relief and Economic (CARES) Act. The loan and accrued interest are forgivable if the proceeds are used for eligible purposes. Eligible purposes include payroll costs, benefits, rent, and utilities. The organization used the entire loan proceeds for qualifying expenses and recognized a conditional contribution with donor restrictions that have been satisfied and included in grant income in the statement of activities of \$123,378 for the years ended September 30, 2021. There were no proceeds in the fiscal year ending September 30, 2022.

NOTE 11 – EVALUATION OF SUBSEQUENT EVENTS

The organization has evaluated subsequent events through March 27, 2023, the date which the statements were available to issue.

NOTE 12 – CONTRIBUTIONS

Contributions consist of the following for the years ended September 30,

	<u>2022</u>	<u>2021</u>
KAXE – Grand Rapids	\$ 227,674	\$ 230,134
KBXE – Bemidji	73,375	66,655
Total	<u>\$ 301,049</u>	<u>\$ 296,789</u>

NOTE 13 – UNDERWRITING

Underwriting consists of the following for the years ended September 30,

	<u>2022</u>	<u>2021</u>
KAXE – Grand Rapids	\$ 132,342	\$ 123,923
KBXE – Bemidji	34,002	27,949
Total	<u>\$ 166,344</u>	<u>\$ 151,872</u>

NORTHERN COMMUNITY RADIO, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022 AND 2021

NOTE 14 – GRANTS

Grant revenue consists of the following for the years ended September 30,

	<u>2022</u>	<u>2021</u>
Corporation for Public Broadcasting	\$ 149,647	\$ 356,062
State of Minnesota		
Community Service	57,882	46,118
Equipment	14,057	7,226
Legacy	267,665	163,561
Small Business Administration	-	123,378
Grand Rapids Area Community Foundation	4,125	5,000
Itasca County	335,182	221,378
Walmart Foundation	2,000	-
City of Grand Rapids	-	50,000
Blandin Foundation	50,000	57,000
Total	<u>\$ 880,558</u>	<u>\$1,029,723</u>