

WMNR FINE ARTS RADIO
AUDITED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021



WMNR FINE ARTS RADIO

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INDEPENDENT AUDITORS' REPORT

To the Town of Monroe and
WMNR Fine Arts Radio
Monroe, CT 06468

Qualified Opinion

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

In our opinion, except for the effects of the value of donated services and facilities not recorded in the financial statements described in the Basis for Qualified Opinion section of our report, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of WMNR Fine Arts Radio as of June 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 Qualified Opinion

As described in Note 5 to the financial statements, the value of on-air volunteers, donated music library and donated programs have not been recorded in the financial statements. Accounting principles generally accepted in the United States of America require that the value of on-air volunteers, donated music library and donated programs to be recorded at its fair market value at the date of receipt. The effects on the accompanying financial statements of the failure to record the value of on-air volunteers, donated music library and donated programs have not been determined.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WMNR Fine Arts Radio 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 qualified 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 WMNR Fine Arts Radio's ability to continue as a going concern within one year after the date that 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 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 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 WMNR Fine Arts Radio's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WMNR Fine Arts Radio'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.

Accavallo & Company LLC

Shelton, Connecticut

November 9, 2022

**WMNR FINE ARTS RADIO
STATEMENTS OF FINANCIAL POSITION**

		June 30,	
		2022	2021
ASSETS			
Cash and cash equivalents		\$ 711,994	\$ 671,556
Contributions receivable		6,599	2,728
Pledges receivable		1,448	2,771
Property and equipment, net		169,396	187,296
	TOTAL ASSETS	\$ 889,437	\$ 864,351
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable		\$ 21,099	\$ 39,308
Due to related parties		-	6,089
Deferred revenue		-	52,208
		21,099	97,605
NET ASSETS			
Without donor restrictions		868,338	766,746
	TOTAL LIABILITIES AND NET ASSETS	\$ 889,437	\$ 864,351

See notes to financial statements.

**WMNR FINE ARTS RADIO
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30,**

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support						
Membership contributions	\$ 376,284	\$ -	\$ 376,284	\$ 358,743	\$ -	\$ 358,743
Major gifts and bequests	61,443	-	61,443	99,726	-	99,726
Underwriting	29,803	-	29,803	10,875	-	10,875
Grants (CPB)	58,753	21,304	80,057	56,682	20,933	77,615
Donated services	-	33,217	33,217	-	11,905	11,905
Donated facilities	-	38,430	38,430	-	38,500	38,500
Royalties	872	-	872	-	-	-
Income - fundraising	148,693	-	148,693	175,378	-	175,378
Total revenues and other support	<u>675,848</u>	<u>92,951</u>	<u>768,799</u>	<u>701,404</u>	<u>71,338</u>	<u>772,742</u>
Expenses						
Program services	189,132	80,404	269,536	142,721	138,491	281,212
Management and general	368,669	63,544	432,213	379,871	11,905	391,776
Fundraising	16,560	1,211	17,771	13,085	-	13,085
Total operating expenses	<u>574,361</u>	<u>145,159</u>	<u>719,520</u>	<u>535,677</u>	<u>150,396</u>	<u>686,073</u>
Change in net assets from operations	101,487	(52,208)	49,279	165,727	(79,058)	86,669
Nonoperating activities						
American Rescue Plan Act Stabilization Grant	-	52,208	52,208	-	79,058	79,058
Interest income	105	-	105	213	-	213
Total nonoperating activities	<u>105</u>	<u>52,208</u>	<u>52,313</u>	<u>213</u>	<u>79,058</u>	<u>79,271</u>
Change in net assets	101,592	-	101,592	165,940	-	165,940
Net assets, beginning of year	<u>766,746</u>	<u>-</u>	<u>766,746</u>	<u>600,806</u>	<u>-</u>	<u>600,806</u>
Net assets, end of year	<u>\$ 868,338</u>	<u>\$ -</u>	<u>\$ 868,338</u>	<u>\$ 766,746</u>	<u>\$ -</u>	<u>\$ 766,746</u>

See notes to financial statements.

WMNR FINE ARTS RADIO
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30,

	Program Services		Management and General		Fundraising		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Salaries	\$ 63,413	\$ 57,841	\$ 138,253	\$ 146,894	\$ 10,917	\$ 9,105	\$ 212,583	\$ 213,840
Transmitter and remote site operations (CPB)	58,753	56,682	-	-	-	-	58,753	56,682
Rent	-	-	51,880	54,650	-	-	51,880	54,650
Administrative fees	-	-	39,504	38,148	-	-	39,504	38,148
Rent (trade out) - restricted	38,430	38,500	-	-	-	-	38,430	38,500
Depreciation	28,928	25,686	6,657	8,272	-	-	35,585	33,958
Advertising (trade out) - restricted	-	-	33,217	11,905	-	-	33,217	11,905
Legal and professional	-	-	27,587	10,374	-	-	27,587	10,374
Consultants	26,242	17,118	-	-	-	-	26,242	17,118
Syndicated programs (CPB) - restricted	21,304	20,813	-	-	-	-	21,304	20,813
Postage	-	-	18,962	17,892	-	-	18,962	17,892
Transmitter and remote site operations (non-CPB)	18,464	34,833	-	-	-	-	18,464	34,833
Payroll taxes	4,851	4,425	9,458	10,054	835	697	15,144	15,176
Internet service	-	-	12,948	13,323	-	-	12,948	13,323
Electric	-	-	12,424	11,178	-	-	12,424	11,178
Accounting	-	-	12,000	11,425	-	-	12,000	11,425
Insurance	-	-	11,749	10,538	-	-	11,749	10,538
Equipment	-	-	11,337	3,907	-	-	11,337	3,907
Computer	-	-	10,078	10,945	-	-	10,078	10,945
Bank charges	-	-	8,728	9,408	-	-	8,728	9,408
Maintenance	-	-	8,173	7,514	-	-	8,173	7,514
Office supplies and expenses	-	-	5,781	5,099	-	-	5,781	5,099
Pledge week premiums	-	-	-	-	5,543	2,840	5,543	2,840
Research	5,520	5,980	-	-	-	-	5,520	5,980
Hospitality	-	-	4,521	1,541	476	443	4,997	1,984
Broadcast supplies and maintenance	3,323	15,176	-	-	-	-	3,323	15,176
Development	-	-	2,941	1,854	-	-	2,941	1,854
Dues and subscriptions	-	-	2,755	2,375	-	-	2,755	2,375
Telephone	-	-	2,574	4,480	-	-	2,574	4,480
Travel	-	-	686	-	-	-	686	-
Syndicated programs (non-CPB)	308	2,472	-	-	-	-	308	2,472
Salaries (CPB) - restricted	-	1,566	-	-	-	-	-	1,566
Payroll taxes (CPB) - restricted	-	120	-	-	-	-	-	120
	<u>\$ 269,536</u>	<u>\$ 281,212</u>	<u>\$ 432,213</u>	<u>\$ 391,776</u>	<u>\$ 17,771</u>	<u>\$ 13,085</u>	<u>\$ 719,520</u>	<u>\$ 686,073</u>

See notes to financial statements.

**WMNR FINE ARTS RADIO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,**

	2022	2021
Cash flows from operating activities		
Change in net assets	\$ 101,592	\$ 165,940
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	35,585	33,958
Change in operating assets:		
Contributions receivable	(3,871)	1,628
Pledges receivable	1,323	(905)
Due from/to related parties	(6,089)	6,089
Prepaid expenses	-	9,535
Change in operating liabilities:		
Accounts payable	(18,210)	23,708
Deferred revenue	(52,208)	52,208
Net cash from operating activities	58,122	292,161
 Cash flows from investing activities		
Purchase of fixed assets	(17,684)	(40,783)
Net cash from investing activities	(17,684)	(40,783)
 Net change in cash and cash equivalents	40,438	251,378
 Cash and cash equivalents, beginning of year	671,556	420,178
Cash and cash equivalents, end of year	\$ 711,994	\$ 671,556
 Supplemental cash flows disclosures:		
Non-cash activities during the year:		
Donated services	\$ (33,217)	\$ (11,905)
Donated facilities	\$ (38,430)	\$ (38,500)
Trade out - services	\$ 33,217	\$ 11,905
Trade out - facilities	\$ 38,430	\$ 38,500

See notes to financial statements.

WMNR FINE ARTS RADIO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 – DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Organization

WMNR Fine Arts Radio (the “Organization”) is a public radio station, licensed to the Town of Monroe, Connecticut. The Organization broadcasts classical and fine arts radio programming. The Organization operates as a unit reporting to the WMNR Commission, the First Selectmen, and the Town Council. The Organization began broadcasting classical and fine arts music in 1982. A portion of the Organization’s revenue is derived from corporate underwriting, private donations, and a grant from Corporation for Public Broadcasting (“CPB”). To supplement the Organization’s various income sources, the Organization also relies on donated services and facilities (see note 5). The Organization has approximately 50,000 listeners and 3,500 contributing members.

Basis of Accounting and Presentation

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. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization’s or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. At June 30, 2022 and 2021, the Organization has no net assets with donor restrictions imposed.

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating activities. Operating activities consist of those items attributable to the Organization's ongoing broadcasts and fine arts radio programming.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with maturities of 90 days or less and cash in banks to be cash equivalents. The Organization maintains its cash and cash equivalents in bank deposit accounts that, at times, may exceed federally insured limits. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

WMNR FINE ARTS RADIO
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Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

As of June 30, 2022, The Organization's contributions receivable consisted of unconditional promises to give in the amount of \$6,599 all of which are expected to be collected within one year. As of June 30, 2021, contributions receivable consisted of unconditional promises to give in the amount of \$2,728.

Property and Equipment

Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. Equipment and furniture are depreciated over seven years; leasehold improvements are depreciated over thirty-nine years. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the account, and any related gain or loss is reflected as an other income (expense) item for the period. It is the Organization's policy to capitalize renewals and betterments acquired for greater than \$1,000 and expense normal repairs and maintenance as incurred. The Organization's management periodically evaluates whether events or circumstances have occurred indicated that the carrying amount of long-lived assets may not be recovered.

Due to Related Parties

Amounts reported as due to related parties, included in the accompanying statements of financial position, arise principally from the collaborative activities between the Organization and the Town of Monroe (the Town). The Town initiates transfers from the Organization's bank account to their bank account. Subsequently, the Town disperses the appropriate amount of payroll to each employee. The amounts due to the Town as of June 30, 2022 and 2021 were \$0 and \$6,089, respectively.

Revenue Recognition

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a 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 statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

In addition, management includes a value for donated professional services, donated facilities and donated premiums, which is consistent with the method used by the CPB to calculate its matching grant (see note 5).

During the 2021 fiscal year, the Organization received an American Rescue Plan Act Stabilization Grant as a result of the COVID-19 pandemic. The grant's purpose is to allow public communications entities to maintain their programming, services, and to prevent, prepare for, and respond to the coronavirus. The total amount received was \$131,266. These funds are restricted, however, they do not have a spending period requirement.

WMNR FINE ARTS RADIO
NOTES TO FINANCIAL STATEMENTS
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Funds received in advance for which qualifying expenditures have not been incurred are reflected as deferred revenue in the accompanying statement of financial position. The Organization recognizes grants to the extent that eligible grant costs are incurred. As of June 30, 2021 the amount of deferred revenue is \$52,208.

As of June 30, 2022, the remaining unspent grant monies have been spent on qualified expenses. Consequently, the entire balance of deferred revenue has been reclassified to income.

Functional Allocation of Expenses

Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Other expenses by function have been allocated among program and supporting service classifications using bases determined by management to be reasonable.

Income Taxes

The Organization operates as a special revenue fund of the Town of Monroe, Connecticut. The Organization and the Town of Monroe do not appear on the IRS 501(c)(3) list of tax-deductible groups as this list is only for private non-profit corporations and the Organization is part of a governmental entity. Contributions to the Organization are tax deductible as charitable contributions under Section 170(c)(1) of the Internal Revenue Code and as such the Organization is exempt from income taxes. The Organization is not currently under audit nor has the organization been contacted by any jurisdiction. The Organization believes all tax positions taken past and present would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the fiscal year ended June 30, 2022.

Compensated Absences

Employees of the Organization are entitled to paid vacation and paid sick days depending on job classification and length of service. It is impracticable to estimate the amount of compensation for future absences as they are immaterial and, accordingly, no liability has been recorded in the accompanying financial statements. Management's policy is to recognize the costs of compensated absences when actually paid to employees.

Subsequent Events

Subsequent events were evaluated through November 9, 2022, the date of the financial statements were available to be issued.

Recently Issued Accounting Standards Implemented

Accounting Pronouncements Adopted:

Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (ASU 2020-07)— Effective in 2022, the amendments in this update apply to nonprofit organizations that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The amendments address presentation and disclosure of contributed nonfinancial assets. The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. Adoption of this pronouncement had no effect on the Organization's current or previously issued financial statements.

Recently Issued Accounting Standards Not Yet Implemented

The following accounting pronouncements were recently issued by the FASB:

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). This ASU requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the consolidated

WMNR FINE ARTS RADIO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

statement of financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the consolidated statement of activities and changes in net assets and the consolidated statement of cash flows will be substantially unchanged from the existing lease accounting guidance. In 2019, the FASB delayed the effective date for nonpublic entities to fiscal years beginning after December 15, 2021. Early adoption is permitted. The Organization is currently evaluating the full effect that the adoption of this standard will have on the consolidated financial statements.

NOTE 2 – LIQUIDITY AND AVAILABILITY OF FUNDS

The 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:

	June 30,	
	2022	2021
Financial assets at year end:		
Cash and cash equivalents	\$ 711,994	\$ 671,556
Contributions receivable	6,599	2,728
Pledges receivable	1,448	2,772
Total financial assets	<u>720,041</u>	<u>677,056</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 720,041</u>	<u>\$ 677,056</u>

The Organization’s goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is deposited into its money market account.

NOTE 3 – PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at June 30, 2022 and 2021 is as follows:

	2022	2021
Audio frequency	\$ 167,433	\$ 149,748
Radio frequency	731,579	731,579
Office furniture and equipment	167,997	167,997
Leasehold improvements	152,639	152,639
	1,219,648	1,201,963
Less: accumulated depreciation	<u>(1,050,252)</u>	<u>(1,014,667)</u>
Property and equipment, net	<u>\$ 169,396</u>	<u>\$ 187,296</u>

For the years ended June 30, 2022 and 2021, depreciation expense totaled \$35,585 and \$33,958, respectively.

**WMNR FINE ARTS RADIO
NOTES TO FINANCIAL STATEMENTS
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NOTE 4 – LEASE COMMITMENTS

WMNR Fine Arts Radio leases space in Monroe, Connecticut, under an operating lease which was entered into on May 31, 2012. The Town Council voted to exercise the first renewal option on May 1, 2018 extending the lease through April 30, 2023. Commencing on the commencement date of each renewal period Years 2-5, the gross rent for the then applicable renewal period shall increase by the percentage of increase, if any, in the Consumer Price Index (“CPI”) for the month of December in the last year of the then applicable term over the CPI for the month of December of the preceding year. In no event shall the percentage of increase exceed 3%.

Future minimum lease payments for the years ended June 30 are as follows:

Fiscal Year End	Rental Expense
2023	\$ 48,128 *
	\$ 48,128

* Adjusted for percentage increase in CPI - assumed 3%
which was the average CPI from 2021-2022

WMNR maintains antenna site and transmitter space operating lease agreements in the various locations listed below:

The Organization leases from Bark Out Loud Dogs Media, LLC in Sag Harbor, NY for \$600 per month, with no annual increases. The lease runs through December 2022.

The Organization leases from Burwell in West Haven, CT for \$1,980 per year. The lease runs through June 2023.

The Organization leases from Celtic Frost in Southampton, NY on a month-to-month basis at \$400 per month.

The Organization leases from ATC Managed Sites in New London, CT on a month-to-month basis at \$768 per month.

The Organization leases from SBA GC Towers in West Hartford, CT on a month-to-month basis at \$612 per month.

The Organization leases from Spectrasite in Guilford, CT for \$350 per month, with no annual increases. The lease runs through June 2024.

The Organization leases from IWG Tower in Seymour, CT on a month-to-month basis at \$513 per month.

The Organization leases from Tucker Anderson in Warren, CT on a quarterly basis at \$360 per quarter.

The Organization leases from Birdcage Communications in Middlefield, CT for \$1,620 per year. The lease runs through June 2023.

The Organization leases from Crown Castle in Bedford, NY for \$650 per month, with annual increases of 3%. The lease runs through March 31, 2027.

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The aggregate future minimum payments on the above antenna sites and transmitter space for the years ended June 30 are as follows:

Fiscal Year End	Rental Expense
2023	\$ 15,660
2024	12,296
2025	8,339
2026	8,589
2027	8,846
	\$ 53,730

NOTE 5 – DONATED SERVICES AND FACILITIES

When the CPB calculates the amount of its matching grant, it does not assign a value for on-air volunteers, donated music library or donated programs to be included in the calculation. As a result, management does not include a value for on-air volunteers, donated music library and donated programs in the financial statements. Management’s decision to include donated goods and services in these financial statements, as illustrated in the table below, represents a departure from generally accepted accounting principles. The donated goods and services were included in the financial statements so WMNR remains in compliance with the CPB Financial Reporting Guidelines. It was not practicable to determine the effects of this inconsistent application of accounting principles.

The value of donated materials and services included in the financial statements and the corresponding expenses for the years ended June 30, 2022 and 2021 are as follows:

	2022	2021
REVENUE		
Donated services	\$ 33,217	\$ 11,905
Donated facility	38,430	38,500
	\$ 71,647	\$ 50,405
EXPENSES		
Advertising	\$ 33,217	\$ 11,905
Transmitter site operations	38,430	38,500
	\$ 71,647	\$ 50,405

NOTE 6 - ADVERTISING

Advertising costs are expensed as incurred. Total advertising expense for June 30, 2022 and 2021 were \$33,217 and \$11,905, respectively.