NEW YORK PUBLIC RADIO

Financial Statements

June 30, 2024 and 2023

(With Independent Auditors’ Report Thereon)

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Trustees
New York Public Radio:

Opinion

We have audited the financial statements of theNew York Public Radio, which comprise the statements of financial position as of June 30, 2024 and 2023, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the New York Public Radio as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the New York Public Radio and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, 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 the New York Public Radio's ability to continue as a going concern for 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the 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 the New York Public 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 the New York Public 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.

KPMG LLP

New York, New York
December 3, 2024

NEW YORK PUBLIC RADIO

Statements of Financial Position

June 30, 2024 and 2023

Assets		**2024**	**2023**
Current assets:			
Cash and cash equivalents	$	5,474,979	11,401,403
Pledges and grants receivable current, less allowance for doubtful accounts of $406,405 and $676,405 at June 30, 2024 and 2023, respectively		2,837,183	4,712,465
Accounts receivable, less allowance for credit losses of $906,016 and $1,026,547 at June 30, 2024 and 2023, respectively		4,448,644	5,238,812
Due from partners in collaborative arrangement		918,224	949,094
Prepaid expenses and other current assets		1,321,095	1,169,395
Total current assets		15,000,125	23,471,169
Noncurrent assets:			
Pledges and grants receivable, net of current portion		1,649,787	1,861,281
Investments		59,378,201	54,284,553
Fixed assets, net of accumulated depreciation and amortization		6,874,194	8,596,984
FCC licenses		27,817,090	29,242,387
Operating lease right-of-use asset, net		12,172,338	15,467,134
Other assets		2,361,539	2,234,027
Total noncurrent assets		110,253,149	111,686,366
Total assets	$	125,253,274	135,157,535
Liabilities and Net Assets			
Current liabilities:			
Accounts payable and accrued expenses	$	4,814,192	5,057,485
Wages and payroll liabilities		5,440,721	5,744,911
Deferred revenue		84,399	74,996
Debt payable, current portion		5,627,892	6,596,905
Operating lease liabilities, current portion		3,471,839	3,698,645
Due to partners in collaborative arrangement		15,461	—
Total current liabilities		19,454,504	21,172,942
Noncurrent liabilities:			
Refundable advance		1,000,000	1,000,000
Debt payable, net of current portion		24,126,810	24,736,196
Operating lease liabilities, net of current portion		9,741,638	13,095,379
Other liabilities		818,058	765,546
Total noncurrent liabilities		35,686,506	39,597,121
Total liabilities		55,141,010	60,770,063
Net assets:			
Without donor restrictions		64,171,702	64,486,835
With donor restrictions		5,940,562	9,900,637
Total net assets		70,112,264	74,387,472
Total liabilities and net assets	$	125,253,274	135,157,535

See accompanying notes to financial statements.

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Statements of Activities

Years ended June 30, 2024 and 2023

	2024			2023		
	Net assets without donor restrictions	**Net assets with donor restrictions**	**Total**	**Net assets without donor restrictions**	**Net assets with donor restrictions**	**Total**
Operating activities:						
Operating support and revenue:						
Contributions	$ 61,557,398	4,902,665	66,460,063	59,236,980	4,331,090	63,568,070
Government grants	192,152	155,153	347,305	257,298	234,180	491,478
Donated services	893,291	—	893,291	1,713,037	—	1,713,037
Production and other income	4,967,114	—	4,967,114	4,922,724	—	4,922,724
Special events revenue, net of costs of direct benefits to donors of $606,697 and $680,194 in 2024 and 2023, respectively	323,658	—	323,658	351,812	—	351,812
Investment return, net	2,200,237	—	2,200,237	159,882	—	159,882
(Deficit) revenues from collaborative arrangement, net	(311,288)	—	(311,288)	1,439,476	—	1,439,476
Net assets released from restrictions	9,022,804	(9,022,804)	—	10,650,687	(10,650,687)	—
Total operating support and revenue	78,845,366	(3,964,986)	74,880,380	78,731,896	(6,085,417)	72,646,479
Operating expenses:						
Program services:						
Programming	48,190,492	—	48,190,492	53,076,421	—	53,076,421
Technical operations	7,062,257	—	7,062,257	7,004,698	—	7,004,698
Marketing	3,486,524	—	3,486,524	4,332,057	—	4,332,057
Total program services	58,739,273	—	58,739,273	64,413,176	—	64,413,176
Supporting services:						
Fund-raising	15,117,950	—	15,117,950	15,449,787	—	15,449,787
Management and general	8,822,448	—	8,822,448	9,792,089	—	9,792,089
Total supporting services	23,940,398	—	23,940,398	25,241,876	—	25,241,876
Total operating expenses	82,679,671	—	82,679,671	89,655,052	—	89,655,052
Decrease from operating activities	(3,834,305)	(3,964,986)	(7,799,291)	(10,923,156)	(6,085,417)	(17,008,573)
Nonoperating activities:						
Net investment return, less amounts allocated for spending	4,944,469	4,911	4,949,380	5,476,400	(2,201)	5,474,199
Impairment loss, FCC licenses	(1,425,297)	—	(1,425,297)	—	—	—
Change in net assets	(315,133)	(3,960,075)	(4,275,208)	(5,446,756)	(6,087,618)	(11,534,374)
Net assets at beginning of year	64,486,835	9,900,637	74,387,472	69,933,591	15,988,255	85,921,846
Net assets at end of year	$ 64,171,702	5,940,562	70,112,264	64,486,835	9,900,637	74,387,472

See accompanying notes to financial statements.

NEW YORK PUBLIC RADIO

Statement of Functional Expenses

Year ended June 30, 2024
(with summarized comparative totals for the year ended June 30, 2023)

	Program services				Supporting services				
	Programming	Technical operations	Marketing	Total	Fund-raising	Management and general	Total	Total 2024	Total 2023
Salaries and benefits	$ 34,234,596	3,428,735	2,264,886	39,928,217	8,572,094	4,530,576	13,102,670	53,030,887	57,525,796
Consultants' fees	547,189	118,291	289	665,769	390,200	603,952	994,152	1,659,921	2,348,707
Marketing and public relations	267,281	—	686,898	954,179	161,763	12,147	173,910	1,128,089	1,400,455
Program acquisition and production	6,394,676	7,997	273,696	6,676,369	20,368	650	21,018	6,697,387	6,204,116
Membership services	—	—	—	—	3,495,444	—	3,495,444	3,495,444	3,405,435
Professional services	625,441	22,971	10,112	658,524	317,855	1,165,900	1,483,755	2,142,279	3,370,499
Travel, entertainment, and meetings	191,030	35,615	1,237	227,882	147,976	45,450	193,426	421,308	681,189
Equipment rental, repairs, maintenance, and supplies	676,997	1,027,108	57,065	1,761,170	962,137	399,128	1,361,265	3,122,435	3,167,389
Office expenses	125,944	8,792	4,043	138,779	15,551	13,544	29,095	167,874	208,125
Bad debt expense (recoveries)	—	—	—	—	—	71,417	71,417	71,417	679,573
Postage and mailing	8,333	8,645	311	17,289	5,719	2,319	8,038	25,327	49,185
Insurance	213,611	20,093	8,039	241,743	36,788	30,602	67,390	309,133	331,756
Rent, utilities, and custodial	3,069,878	2,211,349	110,884	5,392,111	675,953	123,507	799,460	6,191,571	6,391,016
Financing costs and other costs	—	—	—	—	—	1,560,280	1,560,280	1,560,280	1,216,203
Total expenses before depreciation, amortization and direct benefits to donor costs	46,354,976	6,889,596	3,417,460	56,662,032	14,801,848	8,559,472	23,361,320	80,023,352	86,979,444
Depreciation and amortization	1,835,516	172,661	69,064	2,077,241	316,102	262,976	579,078	2,656,319	2,675,608
Total expenses	$ 48,190,492	7,062,257	3,486,524	58,739,273	15,117,950	8,822,448	23,940,398	82,679,671	89,655,052
Costs of direct benefits to donors								609,697	680,194
Total expenses and costs of direct benefit to donors								$ 83,289,368	90,335,246

See accompanying notes to financial statements.

NEW YORK PUBLIC RADIO

Statement of Functional Expenses

Year ended June 30, 2023

	Program services				Supporting services			
	Programming	Technical operations	Marketing	Total	Fund-raising	Management and general	Total	Total 2023
Salaries and benefits	$ 38,494,470	3,436,820	2,761,847	44,693,137	8,793,853	4,038,806	12,832,659	57,525,796
Consultants' fees	959,432	53,370	17,731	1,030,533	643,245	674,929	1,318,174	2,348,707
Marketing and public relations	277,220	—	941,186	1,218,406	171,543	10,506	182,049	1,400,455
Program acquisition and production	5,897,731	7,663	268,228	6,173,622	17,994	12,500	30,494	6,204,116
Membership services	678	—	294	972	3,404,463	—	3,404,463	3,405,435
Professional services	710,826	23,559	44,502	778,887	488,394	2,103,218	2,591,612	3,370,499
Travel, entertainment, and meetings	394,139	28,508	22,422	445,069	88,809	147,311	236,120	681,189
Equipment rental, repairs, maintenance, and supplies	669,884	1,106,938	82,686	1,859,508	928,809	379,072	1,307,881	3,167,389
Office expenses	163,194	9,228	4,816	177,238	16,056	14,831	30,887	208,125
Bad debt expense (recoveries)	—	—	—	—	—	679,573	679,573	679,573
Postage and mailing	14,735	11,804	316	26,855	19,881	2,449	22,330	49,185
Insurance	248,652	19,275	8,891	276,818	30,421	24,517	54,938	331,756
Rent, utilities, and custodial	3,240,091	2,152,080	107,432	5,499,603	600,967	290,446	891,413	6,391,016
Financing costs and other costs	—	—	—	—	—	1,216,203	1,216,203	1,216,203
Total expenses before depreciation, amortization and direct benefits to donor costs	51,071,052	6,849,245	4,260,351	62,180,648	15,204,435	9,594,361	24,798,796	86,979,444
Depreciation and amortization	2,005,369	155,453	71,706	2,232,528	245,352	197,728	443,080	2,675,608
Total expenses	$ 53,076,421	7,004,698	4,332,057	64,413,176	15,449,787	9,792,089	25,241,876	89,655,052
Costs of direct benefits to donors								680,194
Total expenses and costs of direct benefit to donors								$ 90,335,246

See accompanying notes to financial statements.

NEW YORK PUBLIC RADIO

Statements of Cash Flows

Years ended June 30, 2024 and 2023

		2024	2023
Cash flows from operating activities:			
Change in net assets	$	(4,275,208)	(11,534,374)
Adjustments to reconcile change in net assets to net cash used in operating activities:			
Depreciation and amortization		2,656,318	2,675,608
Impairment loss, FCC licenses		1,425,297	—
Amortization of deferred financing costs		18,506	18,506
Bad debt expense, net of recoveries		71,417	679,573
Net (revenue) expense from barter arrangements		(7,042)	40,818
Amortization of right-of-use assets		3,381,065	3,383,010
Net appreciation in fair value of investments		(5,003,119)	(2,713,576)
Changes in operating assets and liabilities:			
Pledges and grants receivable		1,935,833	1,782,899
Accounts receivable		876,736	1,187,749
Prepaid expenses and other current assets		(151,700)	411,586
Due to/(from) partner in collaborative arrangements		46,331	(124,748)
Other assets		(127,512)	(739,137)
Accounts payable and accrued expenses		(319,570)	(2,126,692)
Wages and payroll liabilities		(304,190)	(1,009,915)
Deferred revenue		9,403	(59,114)
Lease liabilities		(3,666,816)	(3,580,785)
Other liabilities		52,512	(266,845)
Net cash used in operating activities		(3,381,739)	(11,975,437)
Cash flows from investing activities:			
Purchase of fixed assets		(857,251)	(1,053,827)
Purchase of investments		(5,159,741)	(9,775,638)
Sale of investments		5,069,212	7,122,688
Net cash used in investing activities		(947,780)	(3,706,777)
Cash flows from financing activities:			
Proceeds from loan issuance		—	6,000,000
Payments of loan		(1,596,905)	(574,420)
Net cash (used by) provided by financing activities		(1,596,905)	5,425,580
Net decrease in cash and cash equivalents		(5,926,424)	(10,256,634)
Cash and cash equivalents at beginning of year		11,401,403	21,658,036
Cash and cash equivalents at end of year	$	5,474,979	11,401,402
Supplemental disclosure of cash flow information:			
Cash paid for interest	$	1,524,376	1,179,159
Fixed assets purchased through accounts payable		92,430	16,153
Cash paid for amounts included in measurement of lease liabilities:			
Operating cash outflows		4,185,807	4,092,989
Right-of-use assets obtained in exchange for new lease obligations, net:			
Operating leases		86,269	204,100
Recognition of operating lease right-of-use asset at adoption		—	19,054,244

See accompanying notes to financial statements.

(1) Nature of Business and Organization

New York Public Radio was incorporated in the state of New York in September 1979 as a not-for-profit corporation, primarily for the purpose of providing monetary and operational support for the City of New York Municipal Broadcasting System, later known as the New York Public Communications Group, through fund-raising activities and the rendering of services.

On January 7, 1997, the City of New York transferred the licenses and all the assets associated with WNYC-AM and WNYC-FM to New York Public Radio for $20 million, payable over six years. The Federal Communications Commission (FCC) granted the transfer of the licenses in fiscal year 1997.

On October 6, 2009, New York Public Radio purchased certain assets used in the operation of the radio station WQXR-FM from The New York Times Company. New York Public Radio paid a purchase price of approximately $11,626,000 in cash inclusive of direct expenses.

On July 1, 2011, New York Public Radio assumed operations under a managing program agreement of four New Jersey network radio stations, WNJT-FM, WNJP-FM, WNJY-FM, and WNJO-FM, owned by the State of New Jersey. On December 5, 2011, the FCC licenses and certain other assets were purchased from the State of New Jersey for approximately $1.0 million in cash and $1.8 million in in-kind services.

New York Public Radio is a Section 501(c)(3) organization, which is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (the Code). It is a publicly supported organization as described in Section 509(a)(1) of the Code. New York Public Radio is also exempt from state and local income taxes. Accordingly, it is not subject to income taxes except to the extent it has taxable income from activities that are not related to its exempt purpose. New York Public Radio recognizes the effect of income tax positions only if these positions are more likely than not of being sustained.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles (GAAP). Net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets and changes therein are classified as without donor restrictions and with donor restrictions.

(b) Use of Estimates

The preparation of the 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

New York Public Radio makes estimates regarding, but not limited to, valuation of receivables, fair value of investments, donated services and support, and allocation of functional expenses.

New York Public Radio allocates its expenses on a functional basis among its various programs and supporting services. Expenses that can be readily identified with a specific program or supporting service are charged directly. Other expenses that are common to several functions are allocated using cost allocation techniques, such as square footage and time and effort. Allocated expenses include rent and maintenance, depreciation/amortization and insurance, as well as costs in the executive, legal, and the information technology departments.

(c) Net Assets

To ensure compliance with limitations and restrictions placed on the use of resources, New York Public Radio reports its financial resources as net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions: Net assets without donor restrictions include expendable resources over which New York Public Radio's Board of Trustees has discretionary control and are used to carry out New York Public Radio's operations in accordance with its Articles of Incorporation and the related bylaws.

In fiscal year 2013, all charitable gift annuities in excess of the related liabilities were classified as board designated by the Board of Trustees. Upon maturity of a gift annuity agreement, the revenue will be allocated at the discretion of the Board of Trustees.

In fiscal year 2015, the Board of Trustees designated funds received without donor restrictions in association with a future campaign and other funds without donor restrictions as it deems appropriate, to be allocated at its discretion in association with strategic initiatives.

Net Assets With Donor Restrictions: Net assets with donor restrictions include resources expendable only for those purposes specified by the donor or grantor. The restrictions are satisfied either by the passage of time and/or by actions of New York Public Radio. Certain donor restrictions are perpetual in nature and represent funds that are subject to restrictions of gift instruments requiring that the principal be invested and that only the income be used.

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets and 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.

(d) Grants and Contributions

Grants and contributions (including unconditional promises to give) are recorded initially at fair value when received or pledged. Contributions received with donor stipulations that limit the use of donated assets are reported as with donor restrictions support. Unconditional promises to give, with payments due in future years, are also reported as with donor restrictions support, and are discounted to their present value. Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed restrictions, if any, on the contribution. An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fund-raising activity. When a donor restriction expires, that is, when a time restriction ends, or a purpose restriction is fulfilled, the 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.

The details of contributions without donor restrictions for the years ended June 30, 2024 and 2023 are as follows:

		2024	2023
Membership	$	31,800,373	32,132,316
Sponsorship		12,484,212	16,185,870
Sponsorship trade		112,504	159,444
Major donors		5,916,637	5,182,590
Bequests and planned giving		7,911,059	3,340,092
Foundations and not-for-profit organizations		3,332,613	2,236,668
	$	61,557,398	59,236,980

Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met. Contributions are classified as conditional if a barrier must be overcome to be entitled to the funds or if a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets exists. As of June 30, 2024 and 2023, New York Public Radio has received conditional pledges and payments totaling approximately $4,588,000 and $488,000, respectively, for future support for which the conditions stipulated by the donors have not yet been met.

(e) Donated Services and Support

Volunteers have donated significant amounts of their time to New York Public Radio's program services and supporting services. No amounts have been reflected in the accompanying financial statements for these donated services because they do not meet the criteria for revenue recognition established by GAAP.

New York Public Radio receives donated professional services that would typically be purchased if not provided as an in-kind contribution. These services, which require specialized skills, are recognized as in-kind contributions at fair value based on current market rates for similar services and expensed when the services are rendered. New York Public Radio receives donated advertising and are recognized as in-kind contributions at fair value, which was provided by the service provider, who estimates the fair value based on the date, time, and market in which each is advertised. The details of donated services for the years ended June 30, 2024 and 2023 are as follows:

		2024	2023
Advertising grants program fees	$	508,188	670,796
Legal fees		385,103	1,042,241
	$	893,291	1,713,037

(f) Cash Equivalents

New York Public Radio considers all highly liquid investments with a maturity of three months or less when purchased and money market funds to be cash equivalents, except for those cash equivalents intended to be held for investment purposes. All cash and cash equivalents are held at three financial institutions at June 30, 2024 and 2023. The amount of cash and cash equivalents at these banks may exceed federally insured limits.

(g) Accounts Receivable, Net

Accounts receivable, net of allowance for credit losses consist primarily of acknowledgments of corporate sponsorship. For the year ending June 30, 2024, in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses* (Topic 326) (ASU 2016-13), New York Public Radio has implemented the expected credit loss model to assess the credit risk associated with its accounts receivable. Prior to this, New York Public Radio recorded an allowance for doubtful accounts based on specific analysis of past due accounts and historical collections experience. The adoption of ASU 2016-13 did not result in a material change to the net accounts receivable. With the adoption of ASU 2016-13, New York Public Radio evaluates the creditworthiness of sponsors, historical payment patterns, current economic conditions, and other relevant factors when estimating expected credit losses on accounts receivable. This assessment is performed on a periodic basis and considers both qualitative and quantitative information. Based on this assessment, New York Public Radio recognized an allowance for expected credit losses on accounts receivable for sponsorship revenue. The allowance is recorded as a contra-account to accounts receivable on the statement of financial position.

Changes in the allowance for credit losses for the year ended June 30, 2024 are as follows:

		2024
Balance, beginning of year	$	1,026,547
Impact of the adoption of ASU 2016-13		(14,517)
Credit loss provisions		159,641
Write-offs, net of recoveries		(265,655)
Balance, end of year	$	906,016

(h) Deferred Revenue

Deferred revenue represents revenues collected but not earned as of June 30th. For the year ending June 30, 2024 and 2023, deferred revenue is primarily composed of revenue from a government entity available to be released within the next fiscal year (see note 2(d)).

(i) Investments

Investments are reported at estimated fair market value based upon quoted or published market prices or at estimated fair value using net asset value (NAV) as a practical expedient, provided by the general partners of limited partnerships or other external investment managers. These NAVs are reviewed and evaluated by New York Public Radio. Due to the inherent uncertainties of these estimates, these values may differ from the values that would have been used had a ready market existed for such investments. Current investments are investments with maturities less than one year, which are not held by long-term investment managers.

New York Public Radio maintains a spending policy on its long-term investment portfolio. The spending policy used for operations may be up to 4% of a 12-quarter rolling average market value as of June 30. In addition to the spending policy on the long-term investment portfolio, investment return used for operations includes investment income on working capital cash.

(j) FCC Licenses

Identifiable intangible assets with indefinite lives consist of the FCC licenses for New York Public Radio. Such intangible assets are not amortized but instead are subject to annual impairment tests. New York Public Radio performed an assessment of the carrying value of its FCC licenses for the year-ended June 30, 2024. The assessment concluded that there were indicators of impairment based on factors such as changes in market conditions and business outlook.

As a result of this assessment, New York Public Radio determined that the carrying value of its FCC licenses exceeded their recoverable amount by $1,425,297 and recognized an impairment loss of $1,425,297 during the year ended June 30, 2024. This impairment loss is reflected in the statement of activities as a non-operating item.

The recoverable amount of the FCC license was determined based on an independent third-party valuation and management believes that the impairment loss recognized is appropriate based on the available information and assumptions. Management will continue to monitor the carrying value of the FCC license and assess for any further impairment indicators in subsequent reporting periods.

(k) Depreciation and Amortization

Furniture, fixtures, equipment, and leasehold improvements are stated at cost, less accumulated depreciation and amortization. New York Public Radio provides for depreciation of fixed assets on the straight-line basis over the estimated useful lives of the assets ranging from 3 to 15 years. Amortization of leasehold improvements is provided on the straight-line basis over the lesser of the terms of the related leases or estimated useful lives of the improvements.

(l) Marketing and Public Relations

Marketing and public relations costs are expensed as incurred. For the years ended June 30, 2024 and 2023, total marketing and public relations costs amounted to approximately $1,128,000 and $1,400,000, respectively.

(m) Barter Transactions

Revenue from barter transactions (sponsorship acknowledgments provided in exchange for goods and services) is recognized when sponsorship is broadcast and is valued based on fair value (comparable cash revenue). Goods and services received are recorded as a capital asset or prepaid expense, depending on the nature of the goods or services received, and are charged to expense when rendered or used. Barter revenues were approximately $112,500 and $159,000 and barter expenses were approximately $86,000 and $200,000 for the years ended June 30, 2024 and 2023, respectively. An asset of $26,430 and $0 is included in accounts receivable at June 30, 2024 and 2023, respectively, in the accompanying statements of financial position, representing the acknowledgements under barter arrangements to be broadcast in the future.

(n) Collaborative Arrangements

New York Public Radio accounts for its collaborative arrangements in accordance with ASC 808, *Collaborative Arrangements* (see note 11), which prescribes that for costs incurred and revenue generated from third parties, the participant in a collaborative arrangement that is deemed to be the principal participant for a given transaction should record that transaction on a gross basis in the financial statements. Payments from New York Public Radio’s partners in the collaborative arrangements are recorded as revenues from collaborative arrangement in the period in which such payments are due to cover expenditures of the arrangement.

(o) Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The three levels of inputs that may be used to measure fair value are as follows:

Level 1: Quoted or published prices in active markets for identical assets or liabilities

Level 2: Observable inputs other than Level 1 prices such as quoted or published prices for similar assets and liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement.

(p) Operating Measure

New York Public Radio includes in operations all revenue and expenses that are an integral part of its program and supporting activities. Investment return, including net realized and unrealized gains and losses, in excess of or less than the authorized spending policy, transfers, and other nonrecurring transactions are recognized as nonoperating activities.

(q) Leases – New York Public Radio as a Lessee

During fiscal year 2023, New York Public Radio adopted the Financial Accounting Standards Board (FASB) Accounting Standard Update (ASU) 2016-02, *Leases* (Topic 842) and related ASUs. This comprehensive new standard amends and supersedes existing lease accounting guidance and is intended to increase transparency and comparability among organizations by recognizing right-of-use (ROU) lease assets and lease liabilities on the statement of financial position and requiring disclosure of key information about leasing arrangements. Lease expense continues to be recognized in a manner similar to legacy GAAP.

The standard was adopted under the Effective Date Method as of the date of adoption and elected to apply the following practical expedients:

- ASC 842 is applied using the current lease details of the operating lease prospectively.
- Prior year financial statements were not adjusted as a result.
- Lease and non-lease components were combined as a single-lease component.
- No re-assessment of any of the following:
  - Expired or existing contacts are or contain leases (e.g., Embedded leases),
  - Lease classification for any existing or expired leases, and
  - Whether initial direct costs would have qualified for capitalization for any existing leases.
- Use of risk-free discount rate as a practical expedient in lieu of its incremental borrowing rate when assessing lease classification and when measuring its lease liabilities.

New York Public Radio determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. Under Topic 842, a contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The organization also considers whether its service arrangements include the right to control the use of an asset. For leases that contain an option to extend for an additional period, management evaluated whether it is reasonably certain New York Public Radio would, in fact, extend the lease. If that was not reasonably certain that a lease would be extended, the additional term was not included in the determination of the lease liability and right-of-use asset.

Adoption of Topic 842 resulted in recognition of ROU assets and lease liabilities related to the organization's operating leases of approximately $18,869,606 and $20,394,270 respectively on July 1, 2022. These amounts were determined based on the present value of remaining lease payments, discounted using the risk-free rate as of the date of adoption. Disclosures about the New York Public Radio's leasing activities are presented in note 12. Further, deferred rent credits of $1,524,664 were applied to the opening balance of the ROU assets at the time of adoption.

(r) New Accounting Standard Adopted

During 2024, New York Public Radio adopted Accounting Standards Update (ASU) 2016-13: *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, effective for the fiscal year ending June 30, 2024, which required New York Public Radio to review and update its methodology for assessing credit losses for its assets, or the estimated allowance for doubtful accounts. The Standard requires that the estimate incorporate New York Public Radio's forecast of future economic conditions and not rely solely on historical loss experience. Management has evaluated its estimate of credit loss on its assets in accordance with the Standard and has determined that this ASU did not have a significant impact on New York Public Radio's financial statements.

(s) Reclassifications

Certain amounts in the 2023 financial statements have been reclassified to conform to the 2024 presentation.

(3) Liquidity and Availability of Resources

As part of New York Public Radio's liquidity management strategy, the organization defines financial assets to be available for general expenditures within one year from the financial position date as operating expenses and capital costs. In addition, the organization invests cash in excess of daily requirements in short-term working capital investments.

(Continued)

Financial assets available within one year for general expenditure and other resources, as of June 30, 2024 and 2023, are as follows:

		2024	2023
Cash and cash equivalents	$	5,474,979	11,401,403
Pledge and grants receivable, net		2,837,183	4,712,465
Accounts receivable, net		4,448,644	5,238,812
Investments		48,107,742	42,502,390
Due from partners in collaborative arrangements		918,224	949,094
Total financial assets available within one year		61,786,772	64,804,164
Other resources:			
Bank credit facility (undrawn)		3,000,000	2,000,000
Total financial assets available within one year and other resources	$	64,786,772	66,804,164

In addition to these amounts, financial assets could be made available for general expenditures with Board approval of approximately $6,500,000 as of June 30, 2024.

New York Public Radio regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

(4) Investments

New York Public Radio held the following investments at June 30:

		Fair value	
		2024	2023
Investments:			
U.S. equity	$	26,297,530	22,934,030
Global equity		14,824,038	14,180,770
Emerging markets		2,642,862	2,350,163
Hedge funds		5,725,942	6,291,988
Inflation hedging		3,516,867	3,811,792
Fixed income		6,241,959	4,678,143
Cash and cash equivalents		129,003	37,667
	$	59,378,201	54,284,553

Valuation Hierarchy

The following tables provide fair value hierarchy for investments as of June 30, 2024 and 2023:

		2024	2023
Investments (Level 1):			
U.S. equity	$	23,476,120	20,729,242
Global equity		5,535,733	5,105,814
Emerging markets		660,801	590,691
Inflation hedging		2,816,704	3,146,535
Fixed income		6,241,959	4,678,143
Cash and cash equivalents		129,003	37,667
Subtotal		38,860,320	34,288,092
Investments reported at NAV (or its equivalent)		20,517,881	19,996,461
Total investments	$	59,378,201	54,284,553

Investments reported at NAV by major category, at June 30, are as follows:

Strategy		2024	2023	Redemption frequency (if currently eligible)	Redemption notice period
U.S. equity	$	2,821,410	2,204,788	Calendar Quarter	60 days
Global equity		9,288,305	9,074,956	Semi-Monthly/Monthly	3–10 days
Emerging markets		1,982,061	1,759,472	Monthly	30 days
Hedge funds		5,725,942	6,291,988	Quarterly/Annually	60–75 days
Inflation hedging		700,163	665,257	Monthly	5 days
	$	20,517,881	19,996,461		

Net investment return consists of the following in fiscal years 2024 and 2023:

		2024	2023
Interest, dividends, and realized gains, net of fees	$	2,146,498	2,920,505
Net appreciation in fair value of investments		5,003,119	2,713,576
	$	7,149,617	5,634,081

Cash amounts for investment purposes increased $91,336 and decreased $864,528 for the years ended June 30, 2024 and 2023, respectively. Cash amounts for investment purposes as of June 30, 2024 and 2023 were $129,003 and $37,667, respectively.

(5) Pledges and Grants Receivable

Pledges and grants receivable consist substantially of promises to give and are due from individuals and foundations. Pledges and grants receivable, net of allowance for uncollectible pledges, are due to be collected as follows at June 30:

		2024	2023
Pledges and grants receivable:			
Less than one year	$	3,243,588	5,388,870
One to five years		1,901,085	2,061,864
		5,144,673	7,450,734
Less:			
Discount (2.46%–6.52%) and credit rate adjustments		(251,298)	(200,583)
Allowance for doubtful accounts		(406,405)	(676,405)
Pledges and grants receivable, net	$	4,486,970	6,573,746

Three donors accounted for 56% and six donors accounted for 53% of gross pledges and grants receivable at June 30, 2024 and 2023, respectively. For the period ending June 30, 2024, one donor accounted for 9% of contributions revenue. For the period ending June 30, 2024, one donor accounted for 4% of contributions revenue.

(6) Fixed Assets, Net

Fixed assets, net consist of the following at June 30:

		2024	2023
Computer hardware and software	$	6,605,400	5,868,396
Leasehold improvements		25,253,644	25,233,853
Furniture and fixtures		2,728,001	2,728,001
Equipment		18,935,988	18,759,255
Vehicles		114,197	114,197
		53,637,230	52,703,702
Less accumulated depreciation and amortization		(46,763,036)	(44,106,718)
	$	6,874,194	8,596,984

New York Public Radio received capital appropriations from the City of New York, which obligated the recipient organization to operate the facility and/or maintain equipment for the respective bonding term as a nonprofit entity, open to and used and maintained for the benefit of the people of the City of New York for cultural, educational, or artistic uses, and/or related purposes approved by the city.

At June 30, 2024 and 2023, the City of New York and a government entity held a security interest in leasehold improvements of $412,500 and $487,500, respectively.

(7) Debt Payable

In March 2006, New York Public Radio issued tax-exempt Series 2006 revenue bonds (Series 2006 Revenue Bonds) through the Trust for Cultural Resources of the City of New York in the amount of $23,000,000. Proceeds from the Series 2006 Revenue Bonds, as well as any interest income earned on the proceeds, were used to finance issuance costs, a portion of interest costs, and a portion of the cost of the renovation, construction, studio technical fit-out, and furnishing of approximately 76,000 square feet of leased space in a building that is used as New York Public Radio's principal office and broadcast studios.

On January 29, 2018, New York Public Radio entered into a $35,000,000, 15-year 4.56% interest rate loan and security agreement with Boston Private Bank & Trust Company for the purpose of financing business initiatives and expansions. The outstanding Series 2006 Revenue Bonds of $9,660,000 were redeemed with a loan advancement from Boston Private Bank & Trust Company.

The agreement, in conjunction with Amendment #2 adopted in September 2019, allows New York Public Radio to initiate term advancements from the closing date through the fourth anniversary of the closing date at which point the term advancements will automatically convert to a term loan and New York Public Radio will not be allowed to initiate additional advances. New York Public Radio was required to make monthly interest only payments on the initiated advancements through January 31, 2022. Interest is payable on the first business day of each calendar month. Beginning on February 1, 2022 through January 1, 2033, New York Public Radio is required to make principal and interest payments. As of June 30, 2018, New York Public Radio executed loan advancements for $9,982,150, which was used to settle its interest rate swap agreement and to redeem its outstanding Series 2006 Revenue Bonds. As of June 30, 2022, an additional $8,180,815 advance was executed to fund strategic investments. At June 30, 2024 and 2023, the total advanced under the agreement is $24,913,450 and $25,510,355, respectively. The agreement also includes an $8,000,000 revolving note issued May 2022 and renewed May 2024. At June 30, 2024 and 2023, a $5,000,000 and $6,000,000 advance was executed on the revolving note, respectively. The interest rate in effect on the revolving note is 7.343% and 7.10% at June 30, 2024 and 2023, respectively.

The debt issuance costs outstanding are $158,748 and $177,254 at June 30, 2024 and 2023, respectively.

The loan agreement requires compliance with certain financial ratio covenants. Failure to meet the financial covenants does not constitute an event of default provided New York Public Radio complies with the applicable remedy as indicated in the loan agreement. At June 30, 2024, New York Public Radio has not met certain financial covenants and intends to request a waiver from the lender. In the event the lender does not provide a waiver of such requirements, New Public Radio intends to comply with the applicable remedies and will post any required cash collateral per the loan agreement. The estimated cash collateral required should a covenant not be met is approximately $1,751,000, representing the maximum annual debt service as defined by the loan agreement.

New York Public Radio recognized approximately $1,541,000 and $1,188,000 in interest expense attributable to the debt for the years ended June 30, 2024 and 2023, respectively.

(8) Refundable Advance

In November 2013, New York Public Radio entered into an agreement with an outside foundation under which the foundation advanced $1,000,000 for the support of New York Public Radio's programs for a period of 15 years through November 11, 2028. After November 11, 2028, New York Public Radio will be required, at the direction of the foundation, to contribute the funds to one or more not-for-profit organizations that are not affiliated with New York Public Radio. Any income that New York Public Radio earns on the $1,000,000 can be used to fund operations. The advance is reflected in investments and as a refundable advance in the accompanying statements of financial position.

(9) Net Assets

Net assets at June 30, 2024 and 2023 are as follows:

		2024	2023
Without donor restrictions:			
Undesignated	$	55,102,460	55,014,914
Designated by the Board		9,069,242	9,471,921
Total net assets without donor restrictions		64,171,702	64,486,835

		2024	2023
With donor restrictions:			
Time restricted	$	1,005,965	1,654,715
Donor restricted endowments		1,313,891	1,308,980
Purpose restricted, primarily programming		3,620,706	6,936,942
Total net assets with donor restrictions		5,940,562	9,900,637
Total net assets	$	70,112,264	74,387,472

Approximately $3,400,000 and $6,600,000 restricted for programming at June 30, 2024 and 2023, respectively, is also time restricted.

Changes in net assets designated by the Board for the years ended June 30, 2024 and 2023 are as follows:

		2024	2023
Contributions and grants	$	131,880	110,706
Transfers to undesignated		(534,559)	(533,303)
Total changes in net assets designated by the Board	$	(402,679)	(422,597)

(10) Endowment Fund

In 2010, New York State adopted New York Prudent Management of Institutional Funds Act (NYPMIFA). The Board of Trustees of New York Public Radio has interpreted NYPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, New York Public Radio classifies as donor restricted net assets (a) the original value of the gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

New York Public Radio's endowment consists of a donor restricted endowment fund, the principal of which must be maintained intact in perpetuity, and income earned is restricted for the development of news, information, and other programming services. New York Public Radio's donor restricted endowment fund balance was $1,313,891 and $1,308,980 at June 30, 2024 and 2023, respectively. The corpus of donor restricted endowment funds was $1,250,000 at June 30, 2024 and 2023. From time to time, certain donor restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law and if any, are reported in net assets with donor restrictions. There were no such funds at June 30, 2024 and 2023.

New York Public Radio has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding while seeking to maintain the purchasing power of the endowment fund.

Changes in endowment net assets for the years ended June 30, 2024 and 2023 consisted of the following:

		2024	2023
Endowment net assets, beginning of year	$	1,308,980	1,311,181
Investment return, net		59,038	74,137
Appropriated for spending		(54,127)	(76,338)
Endowment net assets, ending of year	$	1,313,891	1,308,980

(11) Collaborative Arrangements

New York Public Radio entered into co-production agreements (the Agreements) with Partners to develop, produce, and distribute noncommercial public radio programming and digital content. Under the terms of the Agreements, New York Public Radio is responsible for the day-to-day editorial and creative control of the content.

New York Public Radio acts as the principal for certain revenue and expense transactions with third parties and, therefore, recognized these transactions on a gross basis in the accompanying financial statements.

New York Public Radio recognized the following for the years ended June 30:

		2024	2023
Contributions without donor restrictions	$	1,042,054	1,033,570
Production and other income		497,950	641,388
Various expenses		1,247,316	3,390,660

In addition to these amounts, net deficits and revenues from these collaborative arrangements of ($311,288) and $1,439,476 are also recognized in the accompanying statements of activities for the years ended June 30, 2024 and 2023, respectively, related to the portion of certain Agreements revenues and expenses for which New York Public Radio obligated.

(12) Leases

New York Public Radio enters into leases in the normal course of business primarily for office and studio space and general office equipment. In March 2006, New York Public Radio entered into a noncancelable lease agreement for office space and broadcast studios in New York City for a term of 20 years. The lease calls for escalation charges through the lease term and includes a rent-free period of approximately 11 months. The lease also provides New York Public Radio with the option to renew for an additional 10 years provided that New York Public Radio is not in default of any of the terms of the lease agreement.

New York Public Radio also has agreements to license capacity on transmitters and lease space at the transmission facilities with third parties in New York and New Jersey. These agreements expire between September 2026 and December 2032.

New York Public Radio has weighted-average remaining lease term and discount rate used associated with operating leases of 4.84 and 3.46% respectively as of June 30, 2024 and 5.43 years and 3.19% respectively as of June 30, 2023.

A summary of changes in operating lease liabilities follows:

July 1, 2023	Additions & Modifications	Amortization	June 30, 2024
$ 16,794,024	86,269	3,666,816	13,213,477

July 1, 2022	Additions & Modifications	Amortization	June 30, 2023
$ 20,578,909	(204,100)	3,580,785	16,794,024

A summary of changes in ROU assets follows:

July 1, 2023	Additions & Modifications	Amortization	June 30, 2024
$ 15,467,134	86,269	3,381,065	12,172,338

(Continued)

July 1, 2022	Additions & Modifications	Amortization	June 30, 2023
$ 19,054,244	(204,100)	3,383,010	15,467,134

Future minimum lease payments included in the measurement of lease liabilities, including amortization for each of the next five years and thereafter and reconciliation to the lease liabilities recognized on the balance sheet as of June 30, 2024 is as follows:

Year ending June 30:	
2025	$ 3,856,644
2026	3,793,355
2027	1,988,178
2028	1,156,725
2029	1,139,372
Thereafter	2,327,727
Sub-total	14,262,001
Less effect of discounting	(1,048,524)
Total	$ 13,213,477

Lease expense recognized in the statements of activities amounted to $3,900,057 and $3,930,950 in 2024 and 2023, respectively.

(13) Subsequent Events

New York Public Radio has evaluated events and transactions occurring from the statement of financial position date of June 30, 2024 through December 3, 2024, which is the date that the financial statements were available to be issued, and noted no additional items that would require adjustment to, or disclosure in, the 2024 financial statements.