CONSIDINE & CONSIDINE
CERTIFIED PUBLIC ACCOUNTANTS

VOICE OF SAN DIEGO
FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

VOICE OF SAN DIEGO

CONSIDINE & CONSIDINE
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Voice of San Diego

Opinion

We have audited the accompanying financial statements of Voice of San Diego, a nonprofit organization, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. Information for the year ended June 30, 2024 is presented for comparative purposes only and was extracted from the financial statements presented for that year, on which other auditors expressed an unmodified opinion in their report dated February 4, 2025.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Voice of San Diego as of June 30, 2025, and the changes in its net assets and its cash flows for the year 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 Voice of San Diego 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.

Prior Period Financial Statements

The financial statements of Voice of San Diego as of June 30, 2024, were audited by other auditors whose report dated February 4, 2025 expressed an unmodified opinion on those financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Voice of San Diego's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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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 Voice of San Diego'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about Voice of San Diego'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.

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An accountancy corporation

December 31, 2025

VOICE OF SAN DIEGO
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash (note 3)	$ 1,795,615	$ 1,023,021
Pledges receivable - current (note 4)	286,957	45,000
Prepaid expenses	33,668	27,038
	2,116,240	1,095,059
PROPERTY AND EQUIPMENT (note 5)	6,426	13,370
OTHER ASSETS		
Investments (note 7)	1,632,191	1,125,369
Pledges receivable - long-term, net (note 4)	60,200	9,164
Other assets	5,523	5,523
Intangible assets, net (note 6)	-	2,844
Operating lease right-of-use asset (note 10)	40,670	125,487
	1,738,584	1,268,387
TOTAL ASSETS	3,861,250	2,376,816
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	31,820	59,122
Payroll liabilities	121,732	96,494
Deferred revenue	5,006	5,669
Operating lease liability - current (note 10)	43,714	84,552
	202,272	245,837
NONCURRENT LIABILITIES		
Operating lease liability (note 10)	-	52,093
TOTAL LIABILITIES	202,272	297,930
NET ASSETS (note 11)		
Without donor restrictions	1,447,019	657,584
With donor restrictions	2,211,959	1,421,302
	3,658,978	2,078,886
TOTAL LIABILITIES AND NET ASSETS	$ 3,861,250	$ 2,376,816

See accompanying notes

VOICE OF SAN DIEGO
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTALS
REVENUE			
Contributions	$ 2,125,505	$ 998,351	$ 3,123,856
Advertising and sponsorships	269,293	-	269,293
Membership programs	142,356	-	142,356
Employee retention credit (note 13)	133,719	-	133,719
In-kind (note 12)	25,025	-	25,025
	2,695,898	998,351	3,694,249
OTHER INCOME (note 7)			
Realized and unrealized gain, net	13,886	99,870	113,756
Interest and dividend income	45,252	32,088	77,340
Other income	21,237	-	21,237
	80,375	131,958	212,333
Net assets released from restriction (note 11)	339,652	(339,652)	-
	3,115,925	790,657	3,906,582
EXPENSES			
Program services	1,738,066	-	1,738,066
Management and general	181,222	-	181,222
Development	407,202	-	407,202
	2,326,490	-	2,326,490
CHANGE IN NET ASSETS	789,435	790,657	1,580,092
NET ASSETS, BEGINNING	657,584	1,421,302	2,078,886
NET ASSETS, END	$ 1,447,019	$ 2,211,959	$ 3,658,978

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTALS
REVENUE			
Contributions	$ 1,492,943	$ 312,500	$ 1,805,443
Membership programs	170,098	-	170,098
Advertising and sponsorships	108,991	-	108,991
In-kind (note 12)	11,500	-	11,500
	1,783,532	312,500	2,096,032
OTHER INCOME (note 7)			
Realized and unrealized gain, net	-	102,283	102,283
Interest and dividend income	25,363	26,415	51,778
Other income	28,305	-	28,305
	53,668	128,698	182,366
Net assets released from restriction (note 11)	86,847	(86,847)	-
	1,924,047	354,351	2,278,398
EXPENSES			
Program services	1,283,826	-	1,283,826
Management and general	248,304	-	248,304
Development	390,344	-	390,344
	1,922,474	-	1,922,474
CHANGE IN NET ASSETS	1,573	354,351	355,924
NET ASSETS, BEGINNING	656,011	1,066,951	1,722,962
NET ASSETS, END	$ 657,584	$ 1,421,302	$ 2,078,886

VOICE OF SAN DIEGO
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	PROGRAM	MANAGEMENT AND GENERAL	DEVELOPMENT	TOTALS
EXPENSES				
Payroll	$ 1,109,909	$ 126,677	$ 292,312	$ 1,528,898
Editorial	158,272	18,064	41,683	218,019
Other operating costs	152,363	10,471	23,404	186,238
Marketing	117,136	13,369	30,850	161,355
Professional services	118,686	6,152	6,152	130,989
Office	74,594	5,678	10,930	91,202
Depreciation and amortization	7,106	811	1,871	9,788
TOTAL EXPENSES	$ 1,738,066	$ 181,222	$ 407,202	$ 2,326,490

VOICE OF SAN DIEGO
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	PROGRAM	MANAGEMENT AND GENERAL	DEVELOPMENT	TOTALS
EXPENSES				
Payroll	$ 879,711	$ 182,823	$ 283,393	$ 1,345,927
Other operating costs	123,417	17,674	47,899	188,990
Editorial	135,643	863	1,439	137,945
Professional services	48,749	41,146	16,442	106,337
Office	55,400	3,927	8,404	67,731
Marketing	30,306	-	29,649	59,955
Depreciation and amortization	10,600	1,871	3,118	15,589
TOTAL EXPENSES	$ 1,283,826	$ 248,304	$ 390,344	$ 1,922,474

See accompanying notes

VOICE OF SAN DIEGO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Change in net assets	$ 1,580,092	$ 355,924
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES		
Depreciation and amortization	9,788	15,589
Operating lease amortization	(8,114)	3,211
Realized and unrealized gain	(123,659)	(111,514)
Changes in operating assets and liabilities:		
Pledges receivable, net	(292,993)	50,406
Prepaid expenses	(6,630)	(2,370)
Accounts payable and accrued liabilities	(27,302)	36,022
Payroll liabilities	25,238	(65,908)
Deferred revenue	(663)	(42,631)
	(424,335)	(117,195)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	1,155,757	238,729
NET CASH PROVIDED/(USED) BY INVESTING ACTIVITIES		
Purchases of investments	(1,333,921)	(7,842)
Purchases of fixed assets	-	(1,560)
Sales of investments	950,757	40,657
	(383,163)	31,255
NET INCREASE IN CASH	772,594	269,984
CASH, BEGINNING OF YEAR	1,023,021	753,037
CASH, END OF YEAR	$ 1,795,615	$ 1,023,021

NOTE 1 THE ORGANIZATION

Voice of San Diego (the "Organization") is a public charity and California nonprofit corporation established in 2004 for charitable purposes and is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (the "Tax Code"). The Organization was formed to educate and inform the residents of San Diego County about civic and regional issues and to provide an interactive forum for the discussion of issues affecting the people and communities of San Diego County. The primary sources of financial revenue and support are contributions and income from the Organization's membership program, organizations, advertising, and sponsorships.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting — The financial statements have been prepared using the accrual method in conformity with generally accepted accounting principles (GAAP) in the United States.

Basis of presentation — The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. The Organization follows standards regarding classification of Endowment Funds of nonprofits subject to an enacted version of the Uniform Prudent Management of Institutional Funds Acts (UPMIFA) and enhanced disclosures in the endowment.

Estimates — Management of the Organization has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the 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 to prepare these financial statements in conformity with GAAP. Actual results could differ from those estimates.

Financial statement presentation — The Organization follows the Financial Accounting Standards Board's (FASB) Financial Statements of Not-for-Profit Organizations for presentation of its financial statements which require that net assets, support, revenue and gains, expenses and losses be classified as with donor restrictions and without donor restrictions.

Net assets without donor restrictions — These net assets consist of assets which are fully available, at the discretion of management and the Board of Directors, for the Organization to utilize in any of its programs or supporting services. Net assets without donor restrictions also include amounts designated for certain purposes by the Board of Directors.

Net assets with donor restrictions — These net assets consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds. These nets assets also include amounts that are restricted by donors that neither expire by the passage of time nor can be fulfilled or removed by actions of the Organization.

Cash — The Organization considers financial instruments with a fixed maturity date of less than three months to be cash equivalents.

Contributions receivable — Contributions receivable consist of donor promises to give. Unconditional contributions awarded that are expected to be collected within one year are recorded as contributions receivable at net realizable value upon receipt of the grant letter. Unconditional contributions that are expected to be collected in future years are recorded at the net present value of estimated future cash receipts, discounted using a risk adjusted rate of return. It is the Organization's policy to charge off uncollectible contributions receivable when management determines the pledge will not be collected. As of June 30, 2025 and 2024, all pledges are considered collectible.

Credit losses — The Organization follows FASB Accounting Standards Update ("ASU") 2016-13 Financial Instruments – Credit Losses (Topic 326) and all related amendments. The standard replaces the incurred credit loss methodology with an expected credit loss methodology that is referred to as the current expected credit loss (CECL) methodology. The measurement of expected credit losses under the CECL methodology is applicable to trading receivables, financing receivables, held-to-maturity debt securities, and receivables relating to repurchase agreements and securities lending agreements. It also applies to off-balance sheet credit exposures not accounted for as insurance (loan commitments, standby letters of credit, financial guarantees, and other similar instruments) and net investments in leases recognized by a lessor in accordance with Topic 842 on leases. At June 30, 2025 and 2024, there was no allowance for credit losses.

Property and equipment — Property and equipment are carried at cost. It is the policy of management to capitalize property and equipment in excess of $1,000. Depreciation is computed using the straight-line method of depreciation over the asset's estimated useful life of two to five years. Maintenance and repairs are charged to the expense as incurred; major renewals and betterments are capitalized. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Intangible assets — Website costs related to data consulting services, site configuration and infrastructure, and conceptual design are capitalized. Costs relating to operating and content are expensed as incurred. Website costs are amortized using the straight-line method over the estimated life of three years. The Organization capitalizes intangible assets with a useful life greater than one year and a value in excess of $1,200.

Fair value measurement — The Organization follows accounting standards consistent with the FASB Codification which defines fair value, establishes a framework for measuring fair value and enhances disclosures about fair value measurements for all financial assets and liabilities.

Investments — The Organization carries investments in marketable securities with readily determinable values at fair value in the statement of financial position. Realized and unrealized gains and losses are included in the accompanying statement of activities and changes in net assets. Investment income is recognized as revenue in the period it is earned.

Deferred revenue — Deferred revenue related to performance obligations for advertising revenue and sponsorships not completed as of year-end. Cash receipts for advertising and sponsorship revenue that have not been completed as of year-end have been deferred and are amortized using the straight-line method over the term of service period.

Contribution revenue and donor-imposed restrictions — All contributions are considered to be unrestricted unless specifically restricted by the donor. Amounts received designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions, increasing that net asset class. If a restriction is fulfilled in the same period in which the contribution is received, the support is reported as restricted and then released from restriction in the same period.

Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets with donor restrictions until the restriction is fulfilled.

The Organization follows the FASB Accounting Standards Codification ("ASC") Topic 606 ("ASC 606") Revenue from Contracts with Customers, which provides guidance for revenue recognition. This topic's core principle requires an organization to recognize revenue when it transfers promised goods or services to customers in an amount that reflects consideration to which the organization expects to be entitled in exchange for those goods and services. The standard also clarifies the principal versus agent considerations, providing the evaluation must focus on whether the entity has control of the goods or services before they are transferred to the customer.

The Organization follows the FASB-issued ASU 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made which provides clarification regarding the accounting for contracts and agreements as exchange transactions or contributions and provides improved guidance to better distinguish between conditional and unconditional contributions.

Conditional grants — During the year ended June 30, 2025, the Organization received a restricted grant in the amount of $50,000 that contained donor conditions for matching fund requirements. Since this grant represents conditional promises to give, it is not recorded as contribution revenue until the donor conditions are met. As of June 30, 2025, the Organization recognized $45,957 as contribution revenue once the matching requirements were met. There were no conditional grants for the year ended June 30, 2024.

Membership programs — The Organization offers an annual membership program of various levels. The membership fees received are classified between membership programs and contribution income based on the value of the benefits received by the member from the Organization. Payments received by the Organization above the value of benefits received by the member are reported in contribution income. Membership program income is recognized ratably over the term of the membership period and contribution income is recorded when received. There is no remaining performance obligation required of the Organization upon the member period termination date.

Advertising and sponsorships – The Organization derives revenue through advertising revenue and certain corporate sponsorships. When applicable, contracts with customers are evaluated on a contract-by-contract basis as contracts may include multiple types of goods and services or performance obligations.

The Organization enters into contracts with customers to provide advertising over a period of time on its website. Revenue is recognized ratably over the term of the performance obligation. The Organization also enters into contracts with customers for corporate sponsorships at various levels. Each level of sponsorship offers the customer certain benefits in addition to advertising on the Organization's website, newsletter, and/or podcast. These benefits are accounted for as a combined performance obligation. There is no remaining performance obligation required of the Organization upon the contract termination date. Advertising and sponsorship income received in advance of an applicable period of performance are reported in the statements of financial position as deferred revenue.

As the goods or services are provided ratably throughout the performance term, the Organization recognizes revenue ratably over the term of the performance obligation.

The Organization also enters into contracts with a service element as well as a contribution element. In these situations, the Organization evaluates each contract, bifurcates the contract, and recognizes contribution revenue and service revenue based on an allocation of the transaction price

In-kind donations — The Organization follows standards relating to contributions received and contributions made as consistent with the FASB Codification. These standards require recording the value of donated services that create or enhance non-financial assets or require specialized skills. Although many individuals donated significant time to the Organization, these services did not meet the above criteria for recognition for the year ended June 30, 2025. During the years ended June 30, 2025 and 2024, the Organization received gifts in-kind of $25,025 and $11,500, respectively, which include services and expenses related to the Organization's Politifest and Off the Record events.

Leases — The Organization follows ASU 2016-02, Leases (Topic 842) and all related amendments. The standard established a right-of-use model (ROU) that required a lessee to recognize a ROU asset and lease liability on the statement of financial position for all leases with a term longer than 12 months, and disclose key information about the leasing arrangements. Options to renew a lease are only included in the lease term to the extent those options are reasonable certain to be exercised. Leases will be classified as either finance or operating. Operating lease liabilities and their corresponding ROU assets are initially recorded based on the present value of lease payments over the term of the lease. The rate implicit in lease contracts is typically not readily determinable and, as a result, the Organization utilizes the treasury yield rate to discount lease payments. Financial leases are generally those leases that allow the Organization to substantially utilize or pay for the entire asset of its estimated life. The Organization had no finance leases at June 30, 2025 and 2024.

Functional allocation of expenses — The Organization allocates its expenses on a functional basis among its various programs and support services. Expenditures which can be identified with a specific program or support service are allocated directly, according to their natural expenditure. Costs that are common to several functions are allocated among the program and supporting services on the basis of time records, space utilized, and estimates made by the Organization's management.

Income taxes — As a nonprofit organization, the Organization has obtained exempt status. Under Internal Revenue Code 501(c)(3) and Section 23701(d) of the California Franchise Tax Code, the Organization is not subject to income taxes for operations related to its exempt purpose.

The Organization follows accounting standards which clarify the accounting uncertainty in income taxes recognized in the financial statements and prescribes a recognition threshold and measurement attribute for the financial statements and recognition and measurement of a tax position taken or expected to be taken in the tax return. It also provides guidance on derecognition and measurement of a tax position taken or to be taken in a tax return. As of June 30, 2025 and 2024, the Organization has no accrued interest or penalties related to uncertain tax positions. The Organization files tax returns in the U.S. Federal jurisdiction and the State of California.

NOTE 3 CASH

The Organization maintains its cash balances in one national bank and within one account with its investment broker. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The Organization has not experienced any loss in such accounts. As of June 30, 2025 and 2024, the uninsured balance was approximately $942,000 and $593,000, respectively. The Organization believes it is not exposed to any significant credit risks on its cash balances.

The Organization maintains two cash balance accounts with its investment brokers. The accounts are insured by the Securities Investor Protection Corporation (SIPC) up to $250,000. The Organization has not experienced any loss in such accounts. As of June 30, 2025, the uninsured balance was approximately $106,000. The Organization believes it is not exposed to any significant credit risks on its cash balance.

NOTE 4 RECEIVABLES

Contributions receivable consist of the following at June 30:

	2025	2024
Current:		
Due in less than one year	$ 286,957	$ 45,000
Noncurrent:		
Due in one to five years	65,000	10,000
Less: present value discount	(4,800)	(836)
	$ 347,157	$ 54,164

Noncurrent contributions receivable are shown at present value using a discount rate ranging from 4.00% to 4.46%.

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consists of the following at June 30:

	2025	2024
Computer equipment	$ 50,001	$ 50,001
Furniture and fixtures	42,951	42,951
Leasehold improvements	16,686	16,686
Podcast equipment	11,607	11,607
Telephone equipment	6,811	6,811
Cameras	3,554	3,554
	131,610	131,610
Accumulated depreciation	(125,184)	(118,240)
	$ 6,426	$ 13,370

Depreciation expense was $6,945 and $13,963 for the years ended June 30, 2025 and 2024, respectively.

NOTE 6 INTANGIBLE ASSETS

Intangible assets consist of the following at June 30:

	2025	2024
Website and other costs	$ 13,343	$ 13,343
Accumulated amortization	(13,343)	(10,499)
	$ -	$ 2,844

Amortization expense was $2,843 and $1,625 for the years ended June 30, 2025 and 2024, respectively.

NOTE 7 INVESTMENTS

Investments are stated at fair value and consist of the following at June 30, 2025:

	Cost	Fair Value
Sweep money fund	$ 17,643	$ 17,643
Mutual funds	365,912	375,961
Exchange-traded funds	1,106,666	1,238,587
	$ 1,490,221	$ 1,632,191

Investments are stated at fair value and consist of the following at June 30, 2024:

	Cost	Fair Value
Sweep money fund	$ 15,439	$ 15,439
Mutual funds	202,542	213,397
Exchange-traded funds	776,630	896,533
	$ 994,611	$ 1,125,369

The Organization's stock mutual funds and treasury bills are insured by the SIPC up to $500,000, including up to $250,000 of cash.

The following schedule summarizes the Organization's return on long-term investments and its classification in the statement of activities and changes in net assets for the year ended June 30, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Realized and unrealized gain, net	$ 13,886	$ 99,870	$ 113,756
Interest and dividends	4,693	32,087	36,780
Total investment return	$ 18,579	$ 131,957	$ 150,536

The following schedule summarizes the Organization's return on long-term investments and its classification in the statement of activities and changes in net assets for the year ended June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Realized and unrealized gain, net	$ -	$ 102,283	$ 102,283
Interest and dividends	-	26,415	26,415
Total investment return	$ -	$ 128,698	$ 128,698

Investment return is shown net of investment management fees of $9,903 and $9,231 for the years ended June 30, 2025 and 2024, respectively.

NOTE 8 FAIR VALUE MEASUREMENT

The Organization follows the method of fair value to value its financial assets and liabilities. Fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels has been established, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to level 1 inputs.

Level 2: Observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to level 3 inputs.

Investments in mutual funds and exchange-traded funds are revalued at market prices in active markets and are classified as level 1.

Financial assets carried at fair value and measured on a recurring basis at June 30, 2025 are classified below in one of the three levels described above:

	Level 1	Level 2	Level 3	Total
Assets				
Exchange-traded funds	$ 1,238,587	$ -	$ -	$ 1,238,587
Mutual funds	375,961	-	-	375,961
Sweep money fund	17,643	-	-	17,643
	$ 1,632,191	$ -	$ -	$ 1,632,191

Financial assets carried at fair value and measured on a recurring basis at June 30, 2024 are classified below in one of the three levels described above:

	Level 1	Level 2	Level 3	Total
Assets				
Exchange-traded funds	$ 896,533	$ -	$ -	$ 896,533
Mutual funds	213,397	-	-	213,397
Sweep money fund	15,439	-	-	15,439
	$ 1,125,369	$ -	$ -	$ 1,125,369

NOTE 9 ENDOWMENT FUNDS

The Organization has interpreted UPMIFA as requiring the presentation of the fair value of the original gift as of the gift date of the donor-restricted Endowment Funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted Endowment Funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted Endowment

Funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income/losses and the appreciation/depreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

From time to time, the fair value of the assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPIMFA requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies as of June 30, 2025 and 2024.

As of June 30, 2025, the Organization held $1,000,000 in perpetuity related to a donor restriction to establish the endowment fund. Earnings on the principal are donor restricted to Reporters.

The Organization has adopted investment and spending policies for endowment funds that:

1. Protect the invested assets,
2. Preserve spending capacity of the fund income,
3. Maintain a diversified portfolio of assets that meet investment return objectives while keeping risk at a minimal level, and
4. Comply with applicable laws.

The Organization has a policy for appropriating for distribution 5% annually for its endowment's average fair value over the year.

The Endowment Funds are held as investments on the statement of financial position.

The Organization had the following endowment-related activities and changes in endowment net assets for the year ended June 30, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ -	$ 1,125,369	$ 1,125,369
Additions	5,294	400,000	405,294
Investment income, net amounts	18,579	131,957	150,536
Appropriated for expenditure	-	(49,009)	(49,009)
Endowment net assets, end of year	$ 23,873	$ 1,608,317	$ 1,632,190

Included in the additions to the endowment with donor restrictions for the year ended June 30, 2025 was $400,000 that was designated by the board of directors to be held in the endowment account. The original gift was purpose restricted by the donor and is included in restricted net assets on the statement of financial position. Earnings on these funds are board designated to the same restriction as the original gift.

The Organization had the following endowment-related activities and changes in endowment net assets for the year ended June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ -	$ 1,046,671	$ 1,046,671
Additions	-	-	-
Investment income, net amounts	-	128,698	128,698
Appropriated for expenditure	-	(50,000)	(50,000)
Endowment net assets, end of year	$ -	$ 1,125,369	$ 1,125,369

NOTE 10 LEASES

The Organization entered into a lease agreement for office space in November 2015. The lease had a 60-month term and a renewal option of 60 months. In January 2020, the Organization exercised the option to extend the lease. The lease expires in December 2025 and then converts to a month-to-month lease.

As the lease does not provide an implicit rate, the Organization uses the risk-free discount rate. The Organization elected to use the 5-year Treasury bill rate as of the transition date as the risk-free discount rate. The discount rate is 2.88%.

The following summarizes the cash flow information related to the operating lease for the years ended June 30:

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	$ 87,579	$ 82,451

Future minimum lease payments related to operating lease liabilities for the years ended June 30 are as follows:

2026	$ 44,973
Less: present value discount	(1,259)
Total lease liabilities	$ 43,714

NOTE 11 NET ASSETS

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by donors during the years ended June 30:

	2025	2024
Purpose restrictions accomplished:		
Reporters	$ 291,537	$ 66,750
Parents guide	35,000	-
Internship program	13,115	20,097
Total restrictions released:	$ 339,652	$ 86,847

Net assets consisted of the following at June 30:

	2025	2024
Without donor restrictions:		
Board designated - unrestricted endowment	$ 18,579	$ -
Unrestricted and undesignated	1,428,440	657,584
	1,447,019	657,584
With donor restrictions:		
Purpose restricted		
Reporters	1,139,231	330,459
Internship program	37,728	20,843
Parents guide	35,000	70,000
	1,211,959	421,302
Held in perpetuity - Reporters endowment	1,000,000	1,000,000
	2,211,959	1,421,302
Total net assets	$ 3,658,978	$ 2,078,886

NOTE 12 CONTRIBUTED NON-FINANCIAL ASSETS

Contributed non-financial assets recognized in the statement of activities and changes in net assets consisted of the following for the years ended June 30:

	Revenue Recognized		
	2025	2024	Valuation Technique
Services:			
Video production	$ 10,000	$ -	Estimated fair value
Advertising and sponsorship	8,000	3,750	Estimated fair value
Art installation	5,000	-	Estimated fair value
Event venue	-	2,500	Estimated fair value
Memberships	-	5,250	Estimated fair value
Goods:			
Event supplies	2,025	-	Estimated fair value
	$ 25,025	$ 11,500	

The contributed non-financial assets were utilized for the Organization's program, administrative, and development purposes.

NOTE 13 EMPLOYEE RETENTION CREDIT

Under provisions of the Coronavirus Aid, Relief, and Economic Security (CARES) Act signed into law on March 27, 2020 and the subsequent extension of the CARES Act, the Organization was eligible for a refundable employee retention credit subject to certain criteria. During the year ended June 30, 2025, the Organization received credits totaling $133,719, including $18,466 in interest, for the quarter ended September 30, 2021.

NOTE 14 RELATED PARTIES

One of the Organization's board members was also a board member of the Girard Foundation (the "Foundation") for the years ended June 30, 2025 and 2024. The Organization received contributions from the Foundation in the amount of $40,000 and $65,000 for the years ended June 30, 2025 and 2024, respectively.

NOTE 15 RETIREMENT BENEFIT PLAN

The Organization sponsors a 401(k) plan which covers all eligible employees. The Organization matches employee contributions up to a specified percentage of participant contributions. During the years ended June 30, 2025 and 2024, the Organization contributed $60,394 and $53,780, respectively.

NOTE 16 LIQUIDITY AND AVAILABILITY

The Organization is substantially supported by contributions without donor restrictions. Those unrestricted donations are what fund the general operating and program expenses of the Organization. On occasion, the Organization may receive a donor contribution with restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, those restricted financial assets may not be available for general expenditure.

As part of the Organization's liquidity management, the Organization maintains cash balances without donor restrictions. Investments may also be sold to help manage unanticipated liquidity needs.

The following reflects the Organization's financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date:

	2025	2024
Financial assets at year end:		
Cash	$ 1,795,615	$ 1,023,021
Pledges receivable - current	286,957	45,000
Prepaid expenses	33,668	27,038
Investments	1,632,191	1,125,369
	3,748,431	2,220,428
Less those unavailable for general expenditures within one year due to:		
Contractual or donor imposed restrictions:		
Restricted by purpose restrictions	(1,211,959)	(421,302)
Held in perpetuity	(1,000,000)	(1,000,000)
Board designated - unrestricted endowment	(18,579)	-
Total amounts not available to be used within one year	(2,230,538)	(1,421,302)
Financial assets available to meet general expenditures within one year	$ 1,517,893	$ 799,126

NOTE 17 SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 31, 2025, the date which the financial statements were available to be issued. There were no material subsequent events which affected the amounts or disclosures in the financial statements.