

Salt Pond Community Broadcasting Company d/b/a WERU Community Radio (WERU)

Financial Statements

Years Ended December 31, 2022 and 2021



WIPFLI

Independent Auditor's Report

To the Board of Directors
Salt Pond Community Broadcasting d/b/a WERU Community Radio
East Orland, ME

Opinion

We have audited the accompanying financial statements (the "financial statements") of Salt Pond Community Broadcasting d/b/a WERU Community Radio, a nonprofit organization, which comprise the accompanying statements of financial position as of December 31, 2022 and 2021, and the related accompanying 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 financial statements referred to above present fairly, in all material respects, the financial position of Salt Pond Community Broadcasting d/b/a WERU Community Radio as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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 auditor's responsibilities for the audit of the financial statements section of our report. We are required to be independent of Salt Pond Community Broadcasting d/b/a WERU Community 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 GAAP, 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 Salt Pond Community Broadcasting d/b/a WERU Community Radio's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with 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 Salt Pond Community Broadcasting d/b/a WERU Community 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 Salt Pond Community Broadcasting d/b/a WERU Community 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.

Wipfli LLP

Wipfli LLP
South Portland, Maine
May 23, 2023

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Statements of Financial Position

December 31,	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 390,961	\$ 439,290
Grants and contributions receivable	34,831	35,360
Prepaid expenses	19,907	18,824
Total current assets	445,699	493,474
Other assets		
Investments	75,268	79,891
Other assets	3,033	4,181
Property and equipment	133,309	154,482
Total other assets	211,610	238,554
Total assets	\$ 657,309	\$ 732,028
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 24,651	\$ 26,848
Accrued expenses and other liabilities	17,880	15,880
Refundable advances	142,695	185,050
Total liabilities	185,226	227,778
Net assets		
Without donor restrictions		
Undesignated	307,847	330,260
Board designated - endowment	50,268	54,891
Total without donor restrictions	358,115	385,151
With donor restrictions	113,968	119,099
Total net assets	472,083	504,250
Total liabilities and net assets	\$ 657,309	\$ 732,028

See accompanying notes to financial statements.

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Statement of Activities

Year Ended December 31, 2022	Without Donor Restrictions	With Donor Restrictions	Total
Revenue			
Support			
Membership	\$ 337,700	\$ -	\$ 337,700
Underwriting	52,390	-	52,390
Contributions - other	15,370	8,700	24,070
Contributions - in-kind	15,540	-	15,540
Corporation for Public Broadcasting	42,356	135,354	177,710
	463,356	144,054	607,410
Other revenue			
Special events, net	(4,472)	-	(4,472)
Trade income	33,465	-	33,465
Investment loss	(12,443)	-	(12,443)
Other revenue	8,767	-	8,767
Net assets released from restrictions	149,185	(149,185)	-
	174,502	(149,185)	25,317
Total revenue	637,858	(5,131)	632,727
Expenses			
Program services	341,312	-	341,312
Management and general	182,914	-	182,914
Fundraising	107,203	-	107,203
Trade expenses	33,465	-	33,465
Total expenses	664,894	-	664,894
Change in net assets	(27,036)	(5,131)	(32,167)
Net assets, beginning of year	385,151	119,099	504,250
Net assets, end of year	\$ 358,115	\$ 113,968	\$ 472,083

See accompanying notes to financial statements.

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Statement of Activities

Year Ended December 31, 2021	Without Donor Restrictions	With Donor Restrictions	Total
Revenue			
Support			
Membership	\$ 346,723	\$ -	\$ 346,723
Underwriting	82,473	-	82,473
Contributions - other	18,168	12,083	30,251
Contributions - in-kind	13,960	-	13,960
Federal grant revenue - PPP	124,852	-	124,852
Corporation for Public Broadcasting	13,567	128,303	141,870
	599,743	140,386	740,129
Other revenue			
Special events	5,426	-	5,426
Trade income	28,743	-	28,743
Investment income	10,191	-	10,191
Other revenue	2,934	-	2,934
Net assets released from restrictions	145,376	(145,376)	-
	192,670	(145,376)	47,294
Total revenue	792,413	(4,990)	787,423
Expenses			
Program services	353,948	-	353,948
Management and general	166,053	-	166,053
Fundraising	94,623	-	94,623
Trade expenses	28,743	-	28,743
Total expenses	643,367	-	643,367
Change in net assets	149,046	(4,990)	144,056
Net assets, beginning of year	236,105	124,089	360,194
Net assets, end of year	\$ 385,151	\$ 119,099	\$ 504,250

See accompanying notes to financial statements.

Salt Pond Community Broadcasting d/b/a WERU Community Radio Statement of Functional Expenses

Year Ended December 31, 2022	Program	Management and General	Fundraising	Total
Salaries and wages	\$ 143,011	\$ 92,162	\$ 82,628	\$ 317,801
Employee benefits	11,340	7,308	6,552	25,200
Payroll taxes	12,320	7,939	7,118	27,377
Depreciation	46,227	-	-	46,227
Telephone	19,237	-	-	19,237
Programming	28,978	-	-	28,978
Transmitter and translator	25,082	-	-	25,082
Technology and website	5,206	643	579	6,428
Equipment rental and maintenance	8,269	919	-	9,188
Occupancy	7,427	5,807	-	13,234
Engineering	15,927	493	-	16,420
Professional fees	-	32,807	-	32,807
Dues and subscriptions	-	9,582	-	9,582
Supplies	4,048	9,692	724	14,464
Insurance	11,422	-	-	11,422
Bank and credit card fees	-	12,962	-	12,962
Postage and shipping	-	2,600	-	2,600
Member premiums	-	-	5,586	5,586
Printing and publications	2,818	-	1,389	4,207
Bad debts	-	-	442	442
Miscellaneous expense	-	-	2,185	2,185
Subtotal	341,312	182,914	107,203	631,429
Trade expense:				
Advertising	-	4,783	-	4,783
Sponsorships and other	-	28,682	-	28,682
Total expense	\$ 341,312	\$ 216,379	\$ 107,203	\$ 664,894

See accompanying notes to financial statements.

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Statement of Functional Expenses

Year Ended December 31, 2021	Program	Management and General	Fund Raising	Total
Salaries and wages	\$ 131,044	\$ 84,451	\$ 75,715	\$ 291,210
Employee benefits	11,151	7,186	6,443	24,780
Payroll taxes	11,543	7,439	6,669	25,651
Depreciation	68,894	-	-	68,894
Telephone	17,236	-	-	17,236
Programming	28,983	-	-	28,983
Transmitter and translator	25,633	-	-	25,633
Technology and website	4,876	602	542	6,020
Equipment rental and maintenance	11,812	1,312	-	13,124
Occupancy	7,291	4,512	-	11,803
Engineering	16,275	503	-	16,778
Professional fees	-	22,099	-	22,099
Dues and subscriptions	-	10,073	-	10,073
Supplies	5,122	12,258	915	18,295
Insurance	10,157	-	-	10,157
Bank and credit card fees	-	12,398	-	12,398
Postage and shipping	-	3,220	-	3,220
Member premiums	-	-	1,744	1,744
Printing and publications	3,931	-	1,937	5,868
Bad debts	-	-	555	555
Miscellaneous expense	-	-	103	103
Subtotal	353,948	166,053	94,623	614,624
Trade expense:				
Advertising	-	8,558	-	8,558
Sponsorships and other	-	20,185	-	20,185
Total expense	\$ 353,948	\$ 194,796	\$ 94,623	\$ 643,367

See accompanying notes to financial statements.

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Statements of Cash Flows

Years Ended December 31,	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (32,167)	\$ 144,056
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	46,227	68,894
Donated equipment	(15,540)	(13,960)
(Gain) loss on investments	12,336	(10,265)
Bad debt provision	442	555
(Increase) decrease in:		
Grants and contributions receivable	87	(2,200)
Prepaid expenses	(1,083)	(1,498)
Increase (decrease) in:		
Accounts payable	(2,197)	11,418
Refundable advances	(42,355)	125,350
Accrued expenses and other liabilities	2,000	(25,481)
Net cash flows from operating activities	(32,250)	296,869
Cash flows from investing activities:		
Purchase of property and equipment	(8,366)	(48,705)
Proceeds from sale of investments	1,180	2,260
Purchase of investments	(8,893)	(10,426)
Net cash flows from investing activities	(16,079)	(56,871)
Net change in cash and cash equivalents	(48,329)	239,998
Cash and cash equivalents at beginning of year	439,290	199,292
Cash and cash equivalents at end of year	\$ 390,961	\$ 439,290

See accompanying notes to financial statements.

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of the Business

Salt Pond Community Broadcasting Company d/b/a WERU Community Radio ("WERU") is a Maine organization incorporated in January 1984 for the purpose of operating a community radio station supported primarily by contributions from individuals and businesses in Hancock County and surrounding communities. WERU's primary sources of revenue are through public contributions (deemed memberships), grants from the Corporation for Public Broadcasting (CPB), special events, and on-air underwriting. For the years ending December 31, 2022 and 2021, CPB grant revenue accounted for 28% and 18%, respectively, of WERU's revenue.

Basis of Accounting and Presentation

The financial statements of WERU have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Net Assets

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

- **Net assets without donor restrictions:** Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.
- **Net assets with donor restrictions:** Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of Estimates

The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Grant Revenue

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

- **Grant Awards That Are Contributions** - Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.
- **Grant Awards That Are Exchange Transactions** - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability. WERU has no grants awards that are considered exchange transactions.

Contribution Revenue

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

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

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Investments

The endowment funds are held and managed by Maine Community Foundation (MCF) in an investment pool. MCF typically distributes amounts in accordance with MCF's spending policy which WERU can elect to receive or reinvest. WERU utilized the net asset value (NAV) reported by MCF as a practical expedient for determining the fair value of the investment.

Grants and Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. The allowance for uncollectable promises to give is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable.

Property and Equipment

All acquisitions and improvements of property and equipment in excess of \$500 or more are capitalized while all expenditures for repairs and maintenance that do not materially prolong the useful lives of assets are expensed. Purchased property and equipment is carried at cost. Donated property and equipment is carried at the approximate fair value at the date of donation.

Fixed assets are depreciated over their estimated service lives, as follows:

Building & improvements	25 years	Straight-line
Land improvements	15 years	Straight-line
Furnishings & equipment	5-10 years	Straight-line
Music library	5 years	Straight-line

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function; therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include office and occupancy expenses, which are allocated based on estimated actual usage, as well as personnel costs, which are allocated on the basis of estimates of time and effort.

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Statements of Cash Flows

For purposes of the statements of cash flows, WERU considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents.

Licenses

WERU holds a license to broadcast as a community radio station under the call letters WERU. The cost of obtaining the license is amortized using the straight-line method over a life of 40 years, and cost of application to change the signal pattern with the Federal Communications Commission is being amortized over five years. The licenses are included in other assets on the statement of financial position.

Income Taxes

WERU is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and is exempt from federal and state income taxes, except for taxes pertaining to unrelated business income, as applicable. No provision for income taxes is considered necessary. WERU is generally open to audit under the statute of limitations by the Internal Revenue Service and state taxing authorities for three years following the filing of the return.

Recently Adopted Accounting Pronouncement

As of January 1, 2022, the Organization adopted the provisions of FASB Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed NonFinancial Assets* (Topic 958). The amendments in this update require entities to present contributed nonfinancial assets as a separate line item in the statements of activities, expand disclosures on the various contributed nonfinancial assets recognized including disaggregated category types, the valuation techniques and inputs used to arrive at fair value and the policy for either monetizing or utilizing contributed nonfinancial assets. The ASU has been applied retrospectively to all periods presented, with no effect on net assets or previously issued financial statements.

Note 2: Liquidity and Availability of Financial Resources

WERU regularly monitors liquidity required to meet its operating needs and other contractual commitments. WERU has various sources of liquidity at its disposal, including cash and cash equivalents and a line of credit. See Note 6 for information about WERU's line of credit.

WERU strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. The following table reflects WERU's financial assets as of December 31, 2022 and 2021, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of donor restrictions or internal board designations. In the event the need arises to utilize the board-designated funds for liquidity purposes, the reserves could be drawn upon through board resolution. CPB funds are considered available for general expenditure due to the broad purpose of the grant. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions.

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Notes to Financial Statements

Note 2: Liquidity and Availability of Financial Resources (Continued)

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31:

	2022	2021
Cash and cash equivalents	\$ 390,961	\$ 439,290
Grants and pledges receivable	34,831	35,360
	425,792	474,650
Less amounts restricted by donor	(37,936)	(42,378)
Total	\$ 387,856	\$ 432,272

Note 3: Grants and Contributions Receivable

Grants and contributions receivable are as follows at December 31:

	2022	2021
Other	\$ 3,385	\$ 5,870
CPB grants	33,046	31,090
	36,431	36,960
Less allowance for doubtful accounts	(1,600)	(1,600)
Total	\$ 34,831	\$ 35,360
Amounts due in:		
Less than one year	\$ 36,431	
	\$ 36,431	

Note 4: Investments

The endowment fund is held and invested at the Maine Community Foundation (MCF). The endowment was established to provide WERU with predictable and growing investment income through the prudent selection of quality investments. Income generated from the endowment fund is allowed to be used for the support of WERU's current needs. The endowment funds are invested in MCF's socially responsible pool.

Investment income consists of the following for the years ended December 31:

	2022	2021
Interest and dividends	\$ 1,084	\$ 879
Gain (loss)	(12,336)	10,265
Fees	(1,191)	(953)
Total	\$ (12,443)	\$ 10,191

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Notes to Financial Statements

Note 4: Investments (Continued)

Endowment net asset composition by type of fund as of December 31, 2022 and 2021 are, as follows:

	Without Donor Restriction	With Donor Restriction	Total
2022			
Board-designated funds	\$ 50,268	\$ -	\$ 50,268
Donor-restricted endowment funds	-	25,000	25,000
Total	\$ 50,268	\$ 25,000	\$ 75,268

2021			
Board-designated funds	\$ 54,891	\$ -	\$ 54,891
Donor-restricted endowment funds	-	25,000	25,000
Total	\$ 54,891	\$ 25,000	\$ 79,891

Changes in endowment net assets for the years ended December 31, 2022 and 2021 are, as follows:

	Without Donor Restriction	With Donor Restriction	Total
Balance, January 1, 2022	\$ 54,891	\$ 25,000	\$ 79,891
Investment income	(12,443)	-	(12,443)
Transfer	9,000	-	9,000
Amounts appropriated	(1,180)	-	(1,180)
Balance, December 31, 2022	\$ 50,268	\$ 25,000	\$ 75,268

	Without Donor Restriction	With Donor Restriction	Total
Balance, January 1, 2021	\$ 36,460	\$ 25,000	\$ 61,460
Investment income	10,191	-	10,191
Transfers	10,500	-	10,500
Amounts appropriated	(2,260)	-	(2,260)
Balance, December 31, 2021	\$ 54,891	\$ 25,000	\$ 79,891

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Notes to Financial Statements

Note 5: Property and Equipment

A summary of property and equipment is as follows as of December 31:

	2022	2021
Land	\$ 11,440	\$ 11,440
Buildings improvements	221,159	221,159
Furniture and fixtures	9,349	9,349
Equipment	397,131	388,765
Music library	169,650	193,490
Total cost	808,729	824,203
Less: Accumulated depreciation	(675,420)	(669,721)
Net	\$ 133,309	\$ 154,482

Note 6: Line of Credit

WERU maintains a line of credit with a local bank in the amount of \$150,000 with variable interest at 8.5% and 4% at December 31, 2022 and 2021, respectively. The line of credit was renewed September 7, 2021. This note is a revolving line of credit with no expiration. The line of credit is secured by real property and all business assets. There was no outstanding balance at December 31, 2022 and 2021.

Note 7: Refundable Advances

Refundable advances on ARPA grants consist of \$142,695 and \$185,050 as of December 31, 2022 and 2021, respectively.

Note 8: Net Assets with Donor Restriction

Net assets with donor restrictions are comprised of the following at December 31:

	2022	2021
Subject to time and purpose restrictions:		
CPB grants	\$ 77,561	\$ 77,126
Other	11,407	16,973
	88,968	94,099
Endowments:		
Perpetual in nature	25,000	25,000
Total endowments	25,000	25,000
Total net assets with donor restrictions	\$ 113,968	\$ 119,099

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Notes to Financial Statements

Note 8: Net Assets with Donor Restriction (Continued)

Net assets released from restrictions consist of the following:

<i>Years Ended December 31,</i>	2022	2021
Operations	\$ 147,485	\$ 143,293
Capital expenditures	1,700	2,083
Total	\$ 149,185	\$ 145,376

Note 9: Contributed Nonfinancial Assets

Contributed nonfinancial assets recognized as revenue consist of the following:

<i>Years Ended December 31,</i>	2022	2021
Audio media	\$ 15,540	\$ 13,960
Advertising and sponsorship	33,465	28,743
Total	\$ 49,005	\$ 42,703

Contributed audio media consists of recordings contributed by artists. In valuing the audio media, WERU estimates the fair value on the basis of estimates of values that would be received for selling similar products in the United States.

Contributed advertising and sponsorships are provided to WERU for general and specific events. These Contributed services are valued and are reported at the estimated fair value based on current market rates for similar services.

Note 10: Retirement Plan

WERU has a 403(b) plan available to all eligible employees. Employees may contribute at their own discretion, with no match from WERU.

Note 11: Concentration of Credit Risk

WERU maintains cash balances at financial institutions where the accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At certain times during the year, cash balances may be in excess of FDIC coverage. WERU has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Salt Pond Community Broadcasting d/b/a WERU Community Radio

Notes to Financial Statements

Note 12: Evaluation of Subsequent Events

Management has evaluated subsequent events through May 23, 2023, the date the financial statements were available to be issued.