

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

Financial Statements

Years Ended December 31, 2025 and 2024



Independent Accountant's Review Report

Salt Pond Community Broadcasting d/b/a WERU Community Radio
East Orland, ME

We have reviewed the accompanying financial statements of Salt Pond Community Broadcasting d/b/a WERU Community Radio, a nonprofit organization which comprise the statements of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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 (GAAP); 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with GAAP. We believe that the results of our procedures provide a reasonable basis for our conclusion.

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 related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with GAAP.



Report on 2024 Financial Statements

The 2024 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated April 30, 2025. We have not performed any auditing procedures since that date.

Wipfli LLP

Wipfli LLP

South Portland, Maine

April 23, 2026

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

Statements of Financial Position

December 31,	2025 Reviewed	2024 Audited
ASSETS		
Current assets		
Cash and cash equivalents	\$ 233,295	\$ 229,323
Grants and contributions receivable	20,815	46,290
Prepaid expenses	18,304	21,124
Total current assets	272,414	296,737
Other assets		
Investments	100,161	90,728
Other assets	1,221	1,825
Property and equipment	160,435	191,135
Total other assets	261,817	283,688
Total assets	\$ 534,231	\$ 580,425
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 30,741	\$ 24,279
Accrued expenses and other liabilities	19,923	19,882
Refundable advances	13,381	58,568
Total liabilities	64,045	102,729
Net assets		
Without donor restrictions		
Undesignated	352,250	265,216
Board designated - endowment	75,161	65,728
Total without donor restrictions	427,411	330,944
With donor restrictions	42,775	146,752
Total net assets	470,186	477,696
Total liabilities and net assets	\$ 534,231	\$ 580,425

See accompanying notes to financial statements.

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

Statement of Activities

Year Ended December 31, 2025 (Reviewed)	Without Donor Restrictions	With Donor Restrictions	Total
Revenue			
Support			
Membership	\$ 537,911	\$ -	\$ 537,911
Underwriting	72,485	-	72,485
Contributions - other	23,496	15,000	38,496
Corporation for Public Broadcasting	51,670	-	51,670
	685,562	15,000	700,562
Other revenue			
Special events, net	2,632	-	2,632
Trade income	32,220	-	32,220
Investment income	9,433	-	9,433
Other revenue	6,394	-	6,394
Net assets released from restrictions	118,977	(118,977)	-
	169,656	(118,977)	50,679
Total revenue	855,218	(103,977)	751,241
Expenses			
Program services	383,313	-	383,313
Management and general	212,618	-	212,618
Fundraising	130,600	-	130,600
Trade expenses	32,220	-	32,220
Total expenses	758,751	-	758,751
Change in net assets	96,467	(103,977)	(7,510)
Net assets, beginning of year	330,944	146,752	477,696
Net assets, end of year	\$ 427,411	\$ 42,775	\$ 470,186

See accompanying notes to financial statements.

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

Statement of Activities

Year Ended December 31, 2024 (Audited)	Without Donor Restrictions	With Donor Restrictions	Total
Revenue			
Support			
Membership	\$ 373,399	\$ -	\$ 373,399
Underwriting	45,823	-	45,823
Contributions - other	39,641	57,732	97,373
Corporation for Public Broadcasting	45,190	163,430	208,620
	504,053	221,162	725,215
Other revenue			
Special events, net	(624)	-	(624)
Trade income	44,974	-	44,974
Investment income	4,277	-	4,277
Other revenue	24,582	-	24,582
Net assets released from restrictions	192,441	(192,441)	-
	265,650	(192,441)	73,209
Total revenue	769,703	28,721	798,424
Expenses			
Program services	378,289	-	378,289
Management and general	219,071	-	219,071
Fundraising	127,262	-	127,262
Trade expenses	44,974	-	44,974
Total expenses	769,596	-	769,596
Change in net assets	107	28,721	28,828
Net assets, beginning of year	330,837	118,031	448,868
Net assets, end of year	\$ 330,944	\$ 146,752	\$ 477,696

See accompanying notes to financial statements.

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

Year Ended December 31, 2025 (Reviewed)	Program	Management and General	Fundraising	Total
Salaries and wages	\$ 173,653	\$ 111,909	\$ 100,332	\$ 385,894
Employee benefits	12,960	8,352	7,488	28,800
Payroll taxes	15,653	10,087	9,044	34,784
Depreciation	33,557	-	-	33,557
Telephone	22,448	-	-	22,448
Programming	31,017	-	-	31,017
Transmitter and translator	35,130	-	-	35,130
Technology and website	6,832	844	759	8,435
Equipment rental and maintenance	8,201	901	-	9,102
Occupancy	10,405	5,899	-	16,304
Engineering	11,640	360	-	12,000
Professional fees	-	32,986	-	32,986
Dues and subscriptions	-	11,600	-	11,600
Supplies	3,076	7,363	550	10,989
Insurance	14,363	-	-	14,363
Bank and credit card fees	-	19,551	-	19,551
Postage and shipping	-	2,766	-	2,766
Member premiums	-	-	3,944	3,944
Printing and publications	4,378	-	2,156	6,534
Bad debts	-	-	768	768
Miscellaneous expense	-	-	5,559	5,559
Subtotal	383,313	212,618	130,600	726,531
Trade expense:				
Advertising	-	2,765	-	2,765
Sponsorships and other	-	29,455	-	29,455
Total expense	\$ 383,313	\$ 244,838	\$ 130,600	\$ 758,751

See accompanying notes to financial statements.

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

Statement of Functional Expenses

Year Ended December 31, 2024 (Audited)	Program	Management and General	Fundraising	Total
Salaries and wages	\$ 172,906	\$ 111,428	\$ 99,901	\$ 384,235
Employee benefits	12,960	8,352	7,488	28,800
Payroll taxes	15,180	9,783	8,771	33,734
Depreciation	35,401	-	-	35,401
Telephone	20,663	-	-	20,663
Programming	35,012	-	-	35,012
Transmitter and translator	34,120	-	-	34,120
Technology and website	6,054	748	672	7,474
Equipment rental and maintenance	8,842	983	-	9,825
Occupancy	7,390	6,136	-	13,526
Engineering	11,640	360	-	12,000
Professional fees	-	45,206	-	45,206
Dues and subscriptions	-	10,290	-	10,290
Supplies	3,178	7,604	568	11,350
Insurance	12,927	-	-	12,927
Bank and credit card fees	-	15,507	-	15,507
Postage and shipping	-	2,660	-	2,660
Member premiums	-	-	3,548	3,548
Printing and publications	2,003	-	986	2,989
Bad debts	-	-	1,421	1,421
Miscellaneous expense	13	14	3,907	3,934
Subtotal	378,289	219,071	127,262	724,622
Trade expense:				
Advertising	-	8,942	-	8,942
Sponsorships and other	-	36,032	-	36,032
Total expense	\$ 378,289	\$ 264,045	\$ 127,262	\$ 769,596

See accompanying notes to financial statements.

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

Statements of Cash Flows

Years Ended December 31,	2025 Reviewed	2024 Audited
Cash flows from operating activities:		
Change in net assets	\$ (7,510)	\$ 28,828
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	33,557	35,401
Gain on investments	(8,970)	(3,914)
Bad debt provision	768	1,421
(Increase) decrease in:		
Grants and contributions receivable	24,707	(1,455)
Prepaid expenses	2,820	(890)
Increase (decrease) in:		
Accounts payable	6,462	(3,558)
Refundable advances	(45,187)	(45,190)
Accrued expenses and other liabilities	41	1,122
Net cash flows from operating activities	6,688	11,765
Cash flows from investing activities:		
Purchase of property and equipment	(2,253)	(83,957)
Purchase of investments	(463)	(1,963)
Net cash flows from investing activities	(2,716)	(85,920)
Net change in cash and cash equivalents	3,972	(74,155)
Cash and cash equivalents at beginning of year	229,323	303,478
Cash and cash equivalents at end of year	\$ 233,295	\$ 229,323

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, 2025 and 2024, CPB grant revenue accounted for 7% and 26%, respectively, of WERU's revenue. In 2025, the federal government halted future funding for the Corporation for Public Broadcasting (CPB). WERU will not receive CPB Community Service Grants (CSG) in 2026.

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)

Contribution Revenue (Continued)

Underwriting revenues are contributions to the Station to support its programming or activities in the form of underwriting credit. Nothing of commensurate value is exchanged for underwriting credit, and the Station considers the conditions have been substantially met. Underwriting revenues are recognized as revenue when received.

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

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

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Impairment of Long-Lived Assets

The WERU reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset and its fair value are less than the carrying amount of that asset. The WERU has not recognized any impairment of long lived assets during 2025 and 2024.

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.

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 federal and state taxing authorities for three years following the filing of the return.

Subsequent Events

WERU has evaluated events and transactions for potential recognition or disclosure in the financial statements through April 23, 2026, which is the date the financial statements were available to be issued.

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

Notes to 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. 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, 2025 and 2024, 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.

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:

	2025 Reviewed	2024 Audited
Cash and cash equivalents	\$ 233,295	\$ 229,323
Grants and contributions receivable	20,815	46,290
	254,110	275,613
Less amounts restricted by donor	(17,776)	(47,934)
Total	\$ 236,334	\$ 227,679

Note 3: Grants and Contributions Receivable

Grants and contributions receivable are as follows at December 31:

	2025 Reviewed	2024 Audited
Other	\$ 22,415	\$ 7,635
CPB grants	-	40,255
	22,415	47,890
Less allowance for doubtful accounts	(1,600)	(1,600)
Total	\$ 20,815	\$ 46,290

Amounts due in:		
Less than one year	\$ 22,415	\$ 47,890
	\$ 22,415	\$ 47,890

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

Notes to Financial Statements

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, 2025 and 2024:

	2025 Reviewed	2024 Audited
Interest and dividends	\$ 1,972	\$ 1,696
Gain	8,970	3,914
Fees	(1,509)	(1,333)
Total	\$ 9,433	\$ 4,277

Endowment net asset composition by type of fund as of December 31, 2025 and 2024 are, as follows:

	Without Donor Restriction	With Donor Restriction	Total
2025 (Reviewed)			
Board-designated funds	\$ 75,161	\$ -	\$ 75,161
Donor-restricted endowment funds	-	25,000	25,000
Total	\$ 75,161	\$ 25,000	\$ 100,161
2024 (Audited)			
Board-designated funds	\$ 65,728	\$ -	\$ 65,728
Donor-restricted endowment funds	-	25,000	25,000
Total	\$ 65,728	\$ 25,000	\$ 90,728

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

Notes to Financial Statements

Note 4: Investments (Continued)

Changes in endowment net assets for the years ended December 31, 2025 and 2024 are, as follows:

2025 (Reviewed)	Without Donor Restriction	With Donor Restriction	Total
Balance, January 1, 2025	\$ 65,728	\$ 25,000	\$ 90,728
Investment income	9,433	-	9,433
Balance, December 31, 2025	\$ 75,161	\$ 25,000	\$ 100,161

2024 (Audited)	Without Donor Restriction	With Donor Restriction	Total
Balance, January 1, 2024	\$ 59,851	\$ 25,000	\$ 84,851
Contributions	1,600	-	1,600
Investment income	4,277	-	4,277
Balance, December 31, 2024	\$ 65,728	\$ 25,000	\$ 90,728

Note 5: Property and Equipment

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

	2025 Reviewed	2024 Audited
Land	\$ 11,440	\$ 11,440
Buildings improvements	262,178	263,906
Furniture and fixtures	5,600	9,349
Equipment	322,051	374,562
Music library	75,820	111,500
Total cost	677,089	770,757
Less: accumulated depreciation	(516,654)	(579,622)
Net	\$ 160,435	\$ 191,135

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

Notes to Financial Statements

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 7.50% and 8.25% at December 31, 2025 and 2024, respectively. The note is a revolving line of credit with no expiration and is secured by real property and all business assets. There was no outstanding balance at December 31, 2025 and 2024.

Note 7: Refundable Advances

Refundable advances on ARPA grants consist of \$13,381 and \$58,568 as of December 31, 2025 and 2024, respectively.

Note 8: Net Assets with Donor Restrictions

Net assets with donor restrictions are comprised of the following at December 31, 2025 and 2024:

	2025 Reviewed	2024 Audited
Subject to time and purpose restrictions:		
CPB grants	\$ -	\$ 102,615
Other	17,775	19,137
Total subject to time and purpose restrictions	17,775	121,752
Endowments:		
Perpetual in nature	25,000	25,000
Total endowments	25,000	25,000
Total net assets with donor restrictions	\$ 42,775	\$ 146,752

Net assets released from restrictions consist of the following:

<i>Years Ended December 31,</i>	2025 Reviewed	2024 Audited
Operations	\$ 118,977	\$ 192,441

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

Notes to Financial Statements

Note 9: Contributed Nonfinancial Assets

Contributed nonfinancial assets recognized as revenue consist of the following:

<i>Years Ended December 31,</i>	2025 Reviewed	2024 Audited
Advertising and sponsorship	\$ 32,220	\$ 44,974

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.