

WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania

Financial Statements

June 30, 2025 and 2024

WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania
June 30, 2025 and 2024

Contents

INDEPENDENT AUDITORS' REPORT

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Independent Auditors' Report

The Community Advisory Board
WXPB-FM Radio Station
Licensed to the Trustees of the University of Pennsylvania
Philadelphia, Pennsylvania

Opinion

We have audited the financial statements of WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania, which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania, as of June 30, 2025 and 2024, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania'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 WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania'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.

A handwritten signature in black ink that reads "Kreischer Miller". The signature is written in a cursive, flowing style.

Horsham, Pennsylvania
November 18, 2025

**WXPB-FM RADIO STATION
LICENSED TO THE TRUSTEES OF
THE UNIVERSITY OF PENNSYLVANIA
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024**

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents held by the University of Pennsylvania	\$ 4,002,384	\$ 4,186,842
Memberships receivable, net	8,714	4,986
Contributions receivable, net	133,497	172,660
Grants receivable	10,000	105,000
Underwriting receivables, net of allowance for credit losses of \$30,158 in 2025 and \$13,591 in 2024	360,823	433,367
Other accounts receivable, net	5,200	4,218
Prepaid expenses	97,974	72,149
Total Current Assets	<u>4,618,592</u>	<u>4,979,222</u>
Other Assets		
Right-of-use asset - operating	2,095,682	2,639,120
Memberships receivable, net	7,994	12,279
Contributions receivable, net	226,732	31,019
Land	89,095	89,095
Equipment, net of accumulated depreciation	860,035	1,011,341
Intangible assets, net	4,262,047	4,686,047
Total Other Assets	<u>7,541,585</u>	<u>8,468,901</u>
Total Assets	<u>\$ 12,160,177</u>	<u>\$ 13,448,123</u>
Liabilities and Net Assets		
Current Liabilities		
Lease liability - operating	\$ 549,711	\$ 560,218
Accounts payable and accrued expenses	666,974	632,542
Promotional underwriting liability	187,925	157,375
Deferred revenue	220,990	172,421
Total Current Liabilities	<u>1,625,600</u>	<u>1,522,556</u>
Other Liabilities		
Lease liability - operating	1,714,574	2,253,777
Promotional underwriting liability	-	50,000
Total Other Liabilities	<u>1,714,574</u>	<u>2,303,777</u>
Total Liabilities	<u>3,340,174</u>	<u>3,826,333</u>
Net Assets		
Without donor restrictions	7,992,249	8,909,167
With donor restrictions	827,754	712,623
Total Net Assets	<u>8,820,003</u>	<u>9,621,790</u>
Total Liabilities and Net Assets	<u>\$ 12,160,177</u>	<u>\$ 13,448,123</u>

See accompanying notes to the financial statements

**WXPB-FM RADIO STATION
LICENSED TO THE TRUSTEES OF
THE UNIVERSITY OF PENNSYLVANIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Memberships and contributions	\$ 5,728,246	\$ 377,472	\$ 6,105,718
Underwriting	3,283,421	-	3,283,421
Grants	292,482	370,804	663,286
Indirect support from the University of Pennsylvania	373,202	-	373,202
In-Kind	9,000	-	9,000
Direct support from the University of Pennsylvania	2,624	-	2,624
Other revenue	1,066,399	-	1,066,399
Net assets released from restrictions			
Satisfaction of program restrictions	317,861	(317,861)	-
Expiration of time restrictions	315,284	(315,284)	-
Total Support and Revenue	11,388,519	115,131	11,503,650
Operating Expenses			
Program services:			
Programming and production	3,999,688	-	3,999,688
Program information	2,555,906	-	2,555,906
Broadcasting	947,095	-	947,095
Total Program Services	7,502,689	-	7,502,689
Support services:			
Membership, underwriting and grant solicitation	3,085,888	-	3,085,888
General and administrative	1,716,860	-	1,716,860
Total Support Services	4,802,748	-	4,802,748
Total Program and Support Services	12,305,437	-	12,305,437
Changes in Net Assets	(916,918)	115,131	(801,787)
Net Assets, beginning of year	8,909,167	712,623	9,621,790
Net Assets, end of year	\$ 7,992,249	\$ 827,754	\$ 8,820,003

See accompanying notes to the financial statements

**WXPB-FM RADIO STATION
LICENSED TO THE TRUSTEES OF
THE UNIVERSITY OF PENNSYLVANIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Memberships and contributions	\$ 5,300,104	\$ 258,255	\$ 5,558,359
Underwriting	3,442,390	-	3,442,390
Grants	485,610	387,377	872,987
Indirect support from the University of Pennsylvania	325,997	-	325,997
Direct support from the University of Pennsylvania	3,470	-	3,470
Other revenue	1,017,126	-	1,017,126
Net assets released from restrictions			
Satisfaction of program restrictions	247,422	(247,422)	-
Expiration of time restrictions	279,898	(279,898)	-
Total Support and Revenue	11,102,017	118,312	11,220,329
Operating Expenses			
Program services:			
Programming and production	3,799,804	-	3,799,804
Program information	2,471,246	-	2,471,246
Broadcasting	845,954	-	845,954
Total Program Services	7,117,004	-	7,117,004
Support services:			
Membership, underwriting and grant solicitation	2,717,709	-	2,717,709
General and administrative	1,316,458	-	1,316,458
Total Support Services	4,034,167	-	4,034,167
Total Program and Support Services	11,151,171	-	11,151,171
Changes in Net Assets	(49,154)	118,312	69,158
Net Assets, beginning of year	8,958,321	594,311	9,552,632
Net Assets, end of year	\$ 8,909,167	\$ 712,623	\$ 9,621,790

See accompanying notes to the financial statements

WXPB-FM RADIO STATION
 LICENSED TO THE TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA
 STATEMENTS OF FUNCTIONAL EXPENSES
 YEARS ENDED JUNE 30, 2025 and JUNE 30, 2024

	Program Services					General & Administrative	Membership, underwriting and grant solicitation	Total Expenses FYE25
	Programming & Production	Program Information	Broadcasting	Total Program Services				
Salaries & Benefits								
Salaries	\$ 1,765,605	\$ 891,553	\$ 195,293	\$ 2,852,451	\$ 828,128	\$ 1,695,979	\$ 5,376,558	
Employee Benefits	560,913	286,479	65,052	912,444	276,979	528,702	1,718,125	
	2,326,518	1,178,032	260,345	3,764,895	1,105,107	2,224,681	7,094,683	
Activities								
Travel	73,584	42,495	12,846	128,925	21,063	50,643	200,631	
Supplies	117,370	492,235	244,389	853,994	7,318	57,960	919,272	
Rentals	412,043	56,188	224,224	692,455	44,524	81,160	818,139	
Communication	14,757	57,441	21,224	93,422	5,138	112,611	211,171	
Services	560,365	589,859	13,333	1,163,557	473,167	367,312	2,004,036	
Operations	239,738	37,307	57,666	334,711	34,418	47,221	416,350	
Cost of Direct Benefit to Donors (premiums)	-	-	-	-	-	83,023	83,023	
Depreciation	-	44,137	94,408	138,545	-	12,761	151,306	
In-Kind	255,313	58,212	18,660	332,185	26,125	48,516	406,826	
Total Functional Expenses	\$ 3,999,688	\$ 2,555,906	\$ 947,095	\$ 7,502,689	\$ 1,716,860	\$ 3,085,888	\$ 12,305,437	

	Program Services					General & Administrative	Membership, underwriting and grant solicitation	Total Expenses FYE24
	Programming & Production	Program Information	Broadcasting	Total Program Services				
Salaries & Benefits								
Salaries	\$ 1,725,328	\$ 835,120	\$ 187,748	\$ 2,748,196	\$ 784,097	\$ 1,481,704	\$ 5,013,997	
Employee Benefits	538,297	245,397	60,545	844,239	246,001	473,604	1,563,844	
	2,263,625	1,080,517	248,293	3,592,435	1,030,098	1,955,308	6,577,841	
Activities								
Travel	59,383	46,574	12,634	118,591	20,316	32,525	171,432	
Supplies	124,170	506,587	145,683	776,440	35,390	48,803	860,633	
Rentals	410,811	56,020	229,465	696,296	43,571	80,917	820,784	
Communication	21,405	55,938	21,554	98,897	5,343	87,986	192,226	
Services	484,289	612,877	29,012	1,126,178	126,689	368,122	1,620,989	
Operations	220,962	30,546	44,960	296,468	32,232	43,523	372,223	
Cost of Direct Benefit to Donors (premiums)	-	-	-	-	-	45,385	45,385	
Depreciation	-	35,778	98,053	133,831	-	12,760	146,591	
In-Kind	215,159	46,409	16,300	277,868	22,819	42,380	343,067	
Total Functional Expenses	\$ 3,799,804	\$ 2,471,246	\$ 845,954	\$ 7,117,004	\$ 1,316,458	\$ 2,717,709	\$ 11,151,171	

See accompanying notes to the financial statements

**WXPB-FM RADIO STATION
LICENSED TO THE TRUSTEES OF
THE UNIVERSITY OF PENNSYLVANIA
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
Cash Flows from Operating Activities		
Changes in net assets	\$ (801,787)	\$ 69,158
Adjustments to reconcile changes in net assets to net cash provided (utilized) by operating activities:		
Depreciation	151,306	146,591
Write off (recovery) of contributions and memberships receivables	2,956	10,394
Credit loss expense	44,917	4,554
Loss from impairment of intangible assets	424,000	-
Loss from disposal of assets	-	5,569
Present value discount	20,468	1,671
Amortization of right of use asset	543,438	565,802
Changes in:		
Memberships receivable	1,209	(26,080)
Contributions receivable	(180,626)	(150,000)
Grants receivable	95,000	41,850
Underwriting receivables	27,627	(59,047)
Other accounts receivable, net	(982)	9,564
Prepaid expenses	(25,825)	77,669
Accounts payable and accrued expenses	34,432	215,601
Deferred revenue	48,569	(6,313)
Operating lease liability	(549,710)	(560,218)
Net cash provided (utilized) by operating activities	(165,008)	346,765
Cash Flows from Investing Activities		
Net increase (decrease) in cash and cash equivalents held by the University of Pennsylvania	184,458	(55,785)
Purchases of equipment	-	(270,980)
Net cash provided (utilized) by investing activities	184,458	(326,765)
Cash Flows from Financing Activities		
Promotional underwriting	(19,450)	(20,000)
Net cash utilized by financing activities	(19,450)	(20,000)
Cash, beginning of year	-	-
Cash, end of year	\$ -	\$ -

During the year ended June, 30, 2024, WXPB disposed of fully depreciated equipment in the amount of \$457,773.

See accompanying notes to the financial statements

WXPN-FM RADIO STATION
Licensed to the Trustees of the
University of Pennsylvania

Notes to Financial Statements
June 30, 2025 and 2024

1. Nature of Activities and Summary of Significant Accounting Policies

Organization

As the nationally recognized leader in Triple A radio, WXPN-FM Radio Station ("WXPN") is the premier guide for discovering new and significant artists in rock, blues, roots, and folk. Broadcasting from the Greater Philadelphia area, the Lehigh Valley, Lancaster/York, Harrisburg, Worton/Baltimore, Maryland, and Hackettstown, New Jersey, the non-commercial, member-supported radio service of the University of Pennsylvania is committed to its members, the artists and their music, and the community.

WXPN is owned and operated by the Trustees of the University of Pennsylvania, and as a department of the University of Pennsylvania, it is exempt from federal income tax under Internal Revenue Code Section 501(c)(3).

The major sources of support and revenue are memberships, underwriting, contributions from individual corporations and private foundations, and indirect support from the University of Pennsylvania ("University"). WXPN also receives grant funding primarily from the Corporation for Public Broadcasting ("CPB").

Basis of Accounting

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

Financial Statement Presentation

WXPN 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.

Net assets without donor restrictions are not subject to donor-imposed restrictions or the donor-imposed restrictions have expired. Net assets with donor restrictions are subject to donor-imposed restrictions that permit WXPN to use or expend the assets as specified. The restrictions will be met either by meeting the purpose of the funding or the passage of time.

Use of Estimates

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

WXPB-FM RADIO STATION
Licensed to the Trustees of the
University of Pennsylvania

Notes to Financial Statements
June 30, 2025 and 2024

Cash and Cash Equivalents Held by the University of Pennsylvania

Cash and cash equivalents held by the University of Pennsylvania are for specific use by WXPB (see Note 3).

Memberships and Contributions

WXPB receives unconditional pledges of support from its member community to support its activities. WXPB records all memberships as contributions, therefore, all membership dues are immediately recognized as revenue without donor restrictions in the period received.

WXPB has a sustainer pledge program whereby individuals pledge a monthly contribution on an ongoing basis. The revenue is recognized when the cash is received since members have no obligation to renew and can cancel their sustaining pledge at any time.

Contributions, including promises to give, memberships, and grants, are recorded with or without donor restrictions depending on the existence and/or nature of the donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends, or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without restrictions. Donor restricted contributions that are received and expended within the same fiscal year are reported as revenue and support without donor restrictions.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Conditional promises to give are recorded at fair value, which is estimated at net realizable value and discounted if expected to be collected in more than one year.

Revenue Recognition

WXPB applies the five-step revenue model under Financial Accounting Standards Board (FASB) Accounting Standards Codifications (ASC) 606, *Revenue from Contracts with Customers* (Topic 606) to determine when revenue is earned and recognized. Topic 606 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition.

Revenue from underwriting is recognized at a point in time when WXPB provides the on-air acknowledgment. Underwriting payments received in advance for on-air acknowledgements are recorded as deferred revenue. NPR affiliate fees are recognized at a point in time when the programs are produced and delivered under the affiliate agreement. Event revenue is recognized when the event occurs.

WXPB-FM RADIO STATION
Licensed to the Trustees of the
University of Pennsylvania

Notes to Financial Statements
June 30, 2025 and 2024

Revenue Recognition, Continued

WXPB does not have any significant variable consideration associated with its revenue arrangements. WXPB does not have any significant financing components as payment is received when or shortly after services are billed. NPR affiliate fees are paid on a quarterly basis for performance obligations satisfied in the prior quarter.

Underwriting Receivables, Net, and Allowance for Credit Losses

Underwriting receivables, net, is stated at the amount that WXPB expects to collect. WXPB maintains allowances for credit losses for estimated losses resulting from the inability of its customers to make required payments. Management evaluates its historical loss experience and applies this historical loss ratio to financial assets with similar characteristics. WXPB's historical loss ratio or its determination of risk pools may be adjusted for changes in customer, economic, market or other circumstances. Significant past due balances over 90 days and other higher risk amounts are reviewed individually for collectability based on the following customer specific factors: customer creditworthiness, past transaction history with the customer, current economic industry trends, and changes in customer payment terms. If the financial condition of WXPB's customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, WXPB provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after WXPB has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to underwriting receivables. At July 1, 2023, underwriting receivables, net, were \$378,874 and deferred revenue for payments received in advance was \$165,840.

Land and Equipment

Land and equipment are recorded at cost or, in the case of donated property, at its estimated fair value at the date of receipt. Depreciation on equipment is calculated on a straight-line basis over the estimated useful lives of 5 to 20 years. At the time equipment is retired or disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain or loss on disposition is credited or charged to operations.

Repairs and maintenance costs are expensed as incurred.

Depreciation expense was \$151,306 and \$146,591 for the fiscal years ended June 30, 2025, and 2024, respectively. Accumulated depreciation was \$2,074,684 and \$1,940,557 as of June 30, 2025, and 2024, respectively.

WXPB-FM RADIO STATION
Licensed to the Trustees of the
University of Pennsylvania

Notes to Financial Statements
June 30, 2025 and 2024

Leasehold Improvements

WXPB's portion of the costs associated with the improvements to the historic Hajoca Building is reported as leasehold improvements. The leasehold improvements are recorded at cost and amortized over their estimated useful lives or lease period, whichever is shorter.

Leasehold improvements have been fully amortized with accumulated amortization of \$3,377,145.

Intangible Assets

Intangible assets consist of Federal Communications Commission (FCC) licenses for both WXPB and WXPJ. These assets have been classified as indefinite-lived intangibles. Such intangible assets are not amortized but instead are subject to annual impairment tests. WXPB evaluates the recoverability of its intangible assets using methodologies as prescribed by GAAP. The impairment on these intangible assets as of June 30, 2025 was \$424,000 based on an annual valuation that determined the fair value of the WXPB license was lower than its carrying amount. The impairment loss was included in general and administrative expenses in the statement of activities. There was no impairment on these intangible assets as of June 30, 2024.

Other Gifts and In-Kind Contributions

WXPB utilizes donated services and other items, including the direct and indirect support from the University of Pennsylvania, for its program activities. Accordingly, the in-kind contributions and related expenses are reflected in the accompanying financial statements at the estimated fair market value.

Direct and Indirect Support from the University of Pennsylvania

Direct support from the University of Pennsylvania consists primarily of expenses incurred by the University of Pennsylvania on behalf of WXPB and is recorded as support and expense at cost to the University. Total direct support received from the University of Pennsylvania was \$2,624 and \$3,470 for the years ended June 30, 2025, and 2024, respectively.

Indirect support from the University of Pennsylvania consists of WXPB's allocated portion of institutional support and physical plant operations and is recorded as revenue and expense at estimated fair value based upon percentage allocations within the guidelines prescribed by the CPB. Total indirect support received from the University of Pennsylvania was \$373,202 and \$325,997 for the years ended June 30, 2025, and 2024, respectively.

WXPN-FM RADIO STATION
Licensed to the Trustees of the
University of Pennsylvania

Notes to Financial Statements
June 30, 2025 and 2024

Income Taxes

As indicated in Note 1, WXPN is owned and operated by the Trustees of the University of Pennsylvania, and as a department of the University of Pennsylvania, it is exempt from federal income tax under Internal Revenue Code Section 501(c)(3). However, at times, WXPN may be subject to unrelated business income tax based on its activities. No provision for income taxes has been reflected in the accompanying financial statements.

For the year ended June 30, 2025, WXPN did not identify any uncertain tax positions taken or expected to be taken, which would require adjustment to or disclosure in the financial statements.

The University of Pennsylvania files informational returns with the Internal Revenue Service that include the activities of WXPN as a department of the University. The University is potentially subject to federal, state, and local examinations for years after June 30, 2021.

Functional Allocation of Expenses

The costs of providing the various programs have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited on a reasonable basis that is consistently applied. The expenses are allocated based on actual costs incurred and estimates of time and usage.

Leases

WXPN determines if an arrangement is a lease at inception based on various facts and circumstances.

Operating leases are recorded as right-of-use assets and lease liabilities in the statements of financial position. Leases with a term of 12 months or less are considered short-term leases and are accounted for as an expense in the statements of activities as rental payments are incurred.

Operating lease assets represent WXPN's right to use an underlying asset for the lease term and lease liabilities represent WXPN's obligation to make lease payments arising from the lease. At the lease commencement date, WXPN recognizes operating lease assets and lease liabilities based on the present value of lease payments over the lease term. In accordance with the lease policy set by the University of Pennsylvania, WXPN uses an incremental borrowing rate sourced from the "High Quality Market (HCM) Corporate Bond Yield Curve" published monthly by the U.S. Treasury in determining the present value of lease payments. The lease term represents the non-cancellable period of the lease and may include options to extend or to early terminate the lease. These options are included in the lease term when WXPN determines that it is reasonably certain that the options will be exercised.

Operating lease expense for lease payments is recognized on a straight-line basis over the lease term and is recorded in operating expenses in the statements of activities.

WXPN-FM RADIO STATION
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Notes to Financial Statements
June 30, 2025 and 2024

Subsequent Events

Subsequent events have been evaluated through November 18, 2025, the date that the financial statements were available to be issued. See also Note 11.

2. Liquidity and Availability

In addition to WXPN's cash reserve held by the University of Pennsylvania and available upon request, WXPN operates with a balanced budget and anticipates collecting enough revenue to cover general expenditures.

	2025	2024
Cash and cash equivalents held by the University of Pennsylvania	\$ 4,002,384	\$ 4,186,842
Memberships receivable, net	8,714	4,986
Contributions receivable, net	133,497	172,660
Grants receivable	10,000	105,000
Underwriting receivables, net	360,823	433,367
Other accounts receivable, net	5,200	4,218
	4,520,618	4,907,073
Contractual or donor-imposed restrictions	(827,754)	(712,623)
Financial assets available to meet cash needs for general expenditure within one year	\$ 3,692,864	\$ 4,194,450

3. Concentrations of Risks

Cash and Cash Equivalents Held by the University of Pennsylvania

Since funds are held by the University of Pennsylvania, management of WXPN is unaware of how funds are invested and is unable to determine the extent of significant credit risk to which WXPN may be exposed. Because cash and cash equivalents are held by the University of Pennsylvania, they are excluded from cash and cash equivalents on the accompanying statements of cash flows.

WXPB-FM RADIO STATION
Licensed to the Trustees of the
University of Pennsylvania

Notes to Financial Statements
June 30, 2025 and 2024

4. Memberships and Contributions Receivable

WXPB received unconditional promises to give to fund programming and community outreach, building expansion, and technology and strategic investments. These receivables have payments due through 2029. The Operating receivables have been discounted at an implicit rate of interest of 4.43%. The Special Funds receivables have been discounted at an implicit rate of interest between 1.89% and 3.74%.

The amount due from all donors consists of the following:

Year Ended June 30,

2026	\$	147,416
2027		116,000
2028		116,000
2029		51,094
<hr/>		
Total memberships and contributions receivable		430,510
Less: discount to net present value		31,382
Less: allowance for uncollectible amounts		22,191
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Net memberships and contributions receivable		376,937
Less: current portion, net of allowance and discount		142,211
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Non-current portion, net of allowance and discount	\$	234,726

5. Promotional Underwriting Liability

Under the terms of the June 2016 asset purchase agreement for WNTI (now WXPJ) station, WXPB is to provide \$500,000 of promotional underwriting to the seller of the station. The promotional underwriting will be aired in annual installments for a period of ten years through 2026.

	2025	2024
<hr/>		
Current	\$ 187,925	\$ 157,375
Long Term	-	50,000
<hr/>		
Total	\$ 187,925	\$ 207,375

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6. Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2025 and 2024 were donor restricted for the following purposes:

	2025	2024
Special programming (purpose restriction)	\$ 378,211	\$ 317,024
General operations (time restriction)	449,543	395,599
Total	\$ 827,754	\$ 712,623

7. Direct Support from the University of Pennsylvania

Direct support from the University of Pennsylvania for the years ended June 30, 2025, and 2024 consisted of the following:

	2025	2024
Work Study Department	\$ 2,624	\$ 3,470
Total	\$ 2,624	\$ 3,470

8. Other Revenue

Other revenue for the years ended June 30, 2025, and 2024, consisted of the following:

	2025	2024
NPR affiliate fees	\$ 459,918	\$ 446,694
XPHD affiliate fees	34,373	28,265
Retail sales	26,566	14,096
XPoNential Music Festival	239,680	195,490
Subsidiary Communications Authorizations leases	22,200	22,200
AAA Non-Comm	105,525	106,750
Musicians on Call 5K Run	31,520	27,228
Interest Income	143,502	175,038
Other	3,115	1,365
Total	\$ 1,066,399	\$ 1,017,126

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9. Retirement Plan

The University of Pennsylvania provides retirement benefits for WXPN employees through a defined contribution plan. The University's policy with respect to its contribution is to provide up to 10% of eligible employee salaries. The University's contribution amounted to \$402,535 and \$349,183 during fiscal years 2025 and 2024, respectively. These amounts are reflected in WXPN's operating expenses.

10. Lease

WXPN leases office space at the Hajoca Building located at 3025 Walnut Street, Philadelphia through a lease agreement with the University of Pennsylvania that expires in October 2029. Rental expenses were \$598,374 for each of the years ended June 30, 2025 and 2024.

The weighted-average remaining lease term as of June 30, 2025 and June 30, 2024 was 52 months and 64 months, respectively. The weighted-average discount rate used to determine the operating lease liability as of June 30, 2025 and June 30, 2024 was 3.88%. Future minimum rental payments under noncancellable operating leases as of June 30, 2025 were as follows.

<i>Year Ending June 30,</i>	<i>Operating Lease Amount</i>
2026	\$ 616,740
2027	629,074
2028	641,656
2029	654,489
2030	219,598
Total minimum lease payments	<u>2,761,557</u>
Amount representing interest	<u>(497,272)</u>
Present value of net minimum lease payments	2,264,285
Current portion	<u>(549,711)</u>
Non-current portion	\$ <u>1,714,574</u>

11. Subsequent Events

Subsequent to June 30, 2025, The Corporation for Public Broadcasting (CPB) began winding down operations due to the loss of funding from the federal government. As a result, WXPN does not expect to receive future support from CPB and funds already received are expected to be used by September 30, 2026.