

New Hampshire Public Broadcasting

Financial Report

Years ended June 30, 2021 and 2020



WIPFLI

Independent Auditor's Report

Board of Directors
New Hampshire Public Broadcasting
Durham, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of New Hampshire Public Broadcasting (a nonprofit organization) which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

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; 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Hampshire Public Broadcasting as of June 30, 2021 and 2020, 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.

A handwritten signature in black ink that reads "Wipfli LLP".

Wipfli LLP
South Portland, Maine
February 12, 2022

New Hampshire Public Broadcasting

Statements of Financial Position

<i>As of June 30,</i>	2021	2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,278,828	\$ 1,201,284
Accounts receivable	30,453	29,453
Contributions receivable, current	27,006	17,558
Prepaid expenses	40,445	14,265
Investments - board designated	1,675,958	1,806,168
Total current assets	4,052,690	3,068,728
Other assets		
Investments - donor restricted	131,359	100,448
Beneficial interest in perpetual trusts	2,333,795	1,870,306
Total other assets	2,465,154	1,970,754
Property and equipment	3,375,856	3,474,084
Total assets	\$ 9,893,700	\$ 8,513,566

See accompanying notes to financial statements.

New Hampshire Public Broadcasting

Statements of Financial Position

<i>As of June 30,</i>	2021	2020
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 277,950	\$ 197,901
Accrued salary and benefits	217,230	207,372
Deferred revenue	37,448	-
Refundable advances on grants	960,766	401,778
Line of credit	-	900,000
Short-term portion of loan payable	12,070	12,070
Total current liabilities	1,505,464	1,719,121
Long-term liabilities		
Long-term portion of loan payable	683,551	695,910
Total liabilities	2,189,015	2,415,031
Net assets		
Without donor restriction		
Board designated for future operations	1,675,958	1,806,168
Undesignated	3,279,111	2,205,157
Total without donor restriction	4,955,069	4,011,325
With donor restriction		
Time and purpose restricted	320,139	121,222
Perpetual in nature	2,429,477	1,965,988
Total with donor restrictions	2,749,616	2,087,210
Total net assets	7,704,685	6,098,535
Total liabilities and net assets	\$ 9,893,700	\$ 8,513,566

See accompanying notes to financial statements.

New Hampshire Public Broadcasting

Statement of Activities

<i>Year ended June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenue			
Membership	\$ 2,879,588	\$ -	\$ 2,879,588
Corporation for Public Broadcasting	1,042,596	-	1,042,596
Contributions	452,067	361,320	813,387
Auction	272,499	-	272,499
Underwriting and sponsorships	216,987	17,006	233,993
Contributions in-kind	227,073	-	227,073
Rental income	840,084	-	840,084
Other operating revenue	203,621	-	203,621
Net assets released from restrictions	232,320	(232,320)	-
Total operating revenue	6,366,835	146,006	6,512,841
Operating expenses			
Program services			
Programming and production	1,990,331	-	1,990,331
Broadcasting	1,429,856	-	1,429,856
Program information	119,761	-	119,761
Total program expenses	3,539,948	-	3,539,948
Fundraising and membership development	1,749,228	-	1,749,228
Management and general	819,158	-	819,158
Total operating expenses	6,108,334	-	6,108,334
Change in net assets from operations	258,501	146,006	404,507
Non-operating activities			
Investment income	480,954	30,911	511,865
Government grant - Repack	204,289	-	204,289
Contributions for capital purposes	-	22,000	22,000
Change in value of perpetual trust	-	463,489	463,489
Change in net assets - non-operating	685,243	516,400	1,201,643
Total change in net assets	943,744	662,406	1,606,150
Net assets at beginning of year	4,011,325	2,087,210	6,098,535
Net assets at end of year	\$ 4,955,069	\$ 2,749,616	\$ 7,704,685

See accompanying notes to financial statements.

New Hampshire Public Broadcasting

Statement of Activities

<i>Year ended June 30, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenue			
Membership	\$ 2,814,650	\$ -	\$ 2,814,650
Corporation for Public Broadcasting	1,232,246	-	1,232,246
Contributions	141,492	251,625	393,117
Auction	221,369	-	221,369
Underwriting and sponsorships	287,548	17,558	305,106
Rental income	909,476	-	909,476
Other operating revenue	181,080	-	181,080
Net assets released from restrictions	302,604	(302,604)	-
Total operating revenue	6,090,465	(33,421)	6,057,044
Operating expenses			
Program services			
Programming and production	2,070,229	-	2,070,229
Broadcasting	1,529,679	-	1,529,679
Program information	66,012	-	66,012
Total program expenses	3,665,920	-	3,665,920
Fundraising and membership development	1,555,794	-	1,555,794
Management and general	814,846	-	814,846
Total operating expenses	6,036,560	-	6,036,560
Change in net assets from operations	53,905	(33,421)	20,484
Non-operating activities			
Investment income	134,795	4,766	139,561
Government grant - Repack	1,130,393	-	1,130,393
Contributions for capital purposes	162,500	18,000	180,500
Change in value of perpetual trust	-	100,261	100,261
Change in net assets - non-operating	1,427,688	123,027	1,550,715
Total change in net assets	1,481,593	89,606	1,571,199
Net assets at beginning of year	2,529,732	1,997,604	4,527,336
Net assets at end of year	\$ 4,011,325	\$ 2,087,210	\$ 6,098,535

See accompanying notes to financial statements.

New Hampshire Public Broadcasting

Statement of Functional Expense

<i>Year ended June 30, 2021</i>	Programming and Production	Broadcasting	Program Information	Fundraising & Membership Development	Management and General	Total
Salaries	\$ 476,691	\$ 285,016	\$ 51,970	\$ 415,202	\$ 366,674	\$ 1,595,553
Employee benefits	125,294	92,524	16,438	147,104	66,975	448,335
Professional services	163,540	303,407	1,870	610,513	213,124	1,292,454
Supplies	2,662	7,438	226	14,109	11,147	35,582
Pledge premium	-	-	-	125,759	289	126,048
Telecommunications	-	74,839	-	-	-	74,839
Postage and shipping	24	-	-	47,592	739	48,355
Promotional	947	-	-	27,808	-	28,755
Rental and maintenance of equipment	32,377	107,021	-	709	13,864	153,971
Printing	320	-	-	56,736	730	57,786
Travel and conferences	5,628	1,344	-	548	1,273	8,793
Program acquisition fees	947,439	-	-	7,744	-	955,183
Membership dues	968	643	-	320	31,077	33,008
Utilities	-	228,334	-	-	-	228,334
Occupancy	15	100,592	-	-	843	101,450
Insurance	73,311	35,351	450	10,252	5,506	124,870
Meals & training	1,251	2,451	-	702	7,164	11,568
Taxes	-	148,907	-	-	-	148,907
Bank and credit card fees	-	-	-	5,107	36,201	41,308
Interest expense	-	-	-	-	28,442	28,442
Miscellaneous	4,182	795	450	35,362	8,394	49,183
In-kind expenses	4,489	3,800	45,760	147,001	26,023	227,073
Depreciation	151,193	37,394	2,597	96,660	693	288,537
Total	\$ 1,990,331	\$ 1,429,856	\$ 119,761	\$ 1,749,228	\$ 819,158	\$ 6,108,334

See accompanying notes to financial statements.

New Hampshire Public Broadcasting

Statement of Functional Expense

<i>Year ended June 30, 2020</i>	Programming and Production		Broadcasting	Program Information	Fundraising & Membership Development	Management and General	Total
Salaries	\$ 443,176	\$ 348,365	\$ 47,642	\$ 395,334	\$ 330,586	\$ 1,565,103	
Employee benefits	108,867	96,282	13,786	130,786	94,867	444,588	
Professional services	359,367	339,315	407	579,276	219,151	1,497,516	
Supplies	2,961	10,262	75	32,621	14,194	60,113	
Pledge premium	73	-	-	140,344	-	140,417	
Telecommunications	-	68,667	-	-	15	68,682	
Postage and shipping	61	83	-	40,297	1,499	41,940	
Promotional	761	-	431	33,886	164	35,242	
Rental and maintenance of equipment	5,861	111,997	-	4,727	12,730	135,315	
Printing	-	-	-	55,173	1,069	56,242	
Travel and conferences	5,780	1,320	65	4,036	4,877	16,078	
Program acquisition fees	925,270	-	-	1,177	380	926,827	
Membership dues	1,318	-	-	7,493	36,938	45,749	
Utilities	-	242,705	-	-	-	242,705	
Occupancy	338	100,871	-	-	834	102,043	
Insurance	63,471	30,606	389	8,876	4,767	108,109	
Meals & training	1,931	-	-	1,873	4,534	8,338	
Taxes	-	142,589	-	-	(5,976)	136,613	
Bank and credit card fees	-	-	-	905	36,153	37,058	
Interest expense	-	47	-	-	49,184	49,231	
Miscellaneous	7,766	1,146	757	27,422	8,224	45,315	
Depreciation	143,228	35,424	2,460	91,568	656	273,336	
Total	\$ 2,070,229	\$ 1,529,679	\$ 66,012	\$ 1,555,794	\$ 814,846	\$ 6,036,560	

See accompanying notes to financial statements.

New Hampshire Public Broadcasting

Statements of Cash Flows

Years Ended June 30,	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ 1,606,150	\$ 1,571,199
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	288,537	273,336
Gain on investments	(482,392)	(100,844)
Change in value of perpetual trusts	(463,489)	(100,261)
Contributions for long-lived assets and endowment	(226,289)	(1,310,893)
(Increase) decrease in:		
Accounts receivable	(1,000)	1,791
Contributions receivable	(9,448)	46,498
Prepaid expenses	(26,180)	5,783
Increase (decrease) in:		
Accounts payable and accrued expenses	80,049	(176,384)
Accrued payroll and benefits	9,858	18,009
Deferred revenue	37,448	-
Refundable advances on grants	558,988	401,778
Net cash flows from operating activities	1,372,232	630,012
Cash flows from investing activities:		
Purchase of property and equipment	(190,309)	(1,127,872)
Purchase of investments	(464,914)	(534,200)
Proceeds from sale of investments	1,046,605	505,078
Net cash flows from investing activities	391,382	(1,156,994)
Cash flows from financing activities:		
Principal payments on long-term debt	(12,359)	(22,846)
Net proceeds (repayments) on line of credit	(900,000)	-
Contributions for long-lived assets and endowment	226,289	1,310,893
Net cash flows from financing activities	(686,070)	1,288,047
Net change in cash and cash equivalents	1,077,544	761,065
Cash and cash equivalents, beginning of year	1,201,284	440,219
Cash and cash equivalents, end of year	\$ 2,278,828	\$ 1,201,284
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest	\$ 28,442	\$ 49,231
Income taxes	148,907	136,613

See accompanying notes to financial statements.

New Hampshire Public Broadcasting

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Organization

New Hampshire Public Broadcasting (NHPB) inspires one million Granite Staters each month with engaging and trusted local and national programs on-air, online, via mobile, in classrooms and in communities.

NHPB is a 501(c)3 multi-media, educational non-profit organization governed by a Board of Directors. As the only statewide, locally-owned and operated PBS member station, five transmitters carry the station's five channels to 98% of the Granite State (and beyond). Over 200,000 students annually benefit from NHPB's free, curriculum-aligned, educational services, while hundreds of thousands of online visitors access information and interactive content. NHPB engages audiences via community screenings and events that spark meaningful dialogue and community connection throughout the Granite State. The station receives no state funding and is supported by nearly 22,000 members.

The programming, production, administrative, development, and business offices of NHPB are located in the Durham facility.

NHPB has been a leader in innovation for the PBS system to cut "backroom expenses" by outsourcing many business and programming functions. For example, NHPB entered into a service agreement with the Boston, Massachusetts based public television organization, WGBH, to provide services in the areas of broadcast technology and membership service. By doing so, NHPB has been able to focus on relevant local services and content production that are highly valued by Granite Staters.

Basis of Accounting

NHPB's financial statements have been prepared using the accrual method of accounting.

Basis of Presentation

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States (GAAP). These principles state that net assets and revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization are classified, as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of contribution. The governing board has designated, from net assets without donor restrictions, net assets for 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 explicit donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources must 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.

New Hampshire Public Broadcasting

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances at year-end. Management provides for probable uncollectible amounts on the reserve method, based on historical experience and management's evaluation of outstanding accounts receivable at the end of each year. Balances that are uncollectible after management has used reasonable collection efforts are written off and charged to the valuation allowance. The allowance for uncollectible accounts was \$4,743 and \$4,743 as of June 30, 2021 and 2020, respectively.

Contributions Receivable

Unconditional promises to give are recognized as revenues in the period received and, as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions receivable expected to be received after more than one year are discounted to the present value of their future cash flows using a risk adjusted rate of return after providing an allowance for uncollectible pledges.

Property and Equipment

Property and equipment are recorded at cost or, in the case of donated property, at their fair value on the date of receipt. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives of the assets are, as follows:

	Years
Buildings and improvements	10-40
Towers	25-40
Equipment	3-30

Donated Assets

Donated marketable securities and other noncash donations are recorded at their estimated fair values at the date of donation.

New Hampshire Public Broadcasting

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Investments

Investments are carried at fair value. The investments that are considered board-designated investments are classified as current assets. Income and net appreciation or losses on investments of endowment and similar funds are reported as increases in net assets with donor restrictions if the terms of the gift or NHPB's interpretation of relevant state law impose restrictions on the use of the income or if the terms of the gift requires that they be added to the principal of a permanent endowment fund. In all other cases, income and net appreciation or losses on investments are classified as increases in net assets without donor restrictions.

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in value in the near-term would materially affect the amounts reported in the statements of financial position.

Beneficial Interests in Perpetual Trusts

The beneficial interest consists of two trusts held by others and are carried at its fair value as reported by the Trustees.

Revenue

Rental revenue is recognized over time when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred.

Grant Revenue

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

Grant Awards That Are Contributions - Grants 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.

New Hampshire Public Broadcasting

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

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.

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.

Contributed services received that create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation are recorded when the service is provided.

Operating and Non-Operating Activities

The Organization reports its revenues and expenses as operating or non-operating activities in the statement of activities. Non-operating activities include contributions to the board-designated or donor-restricted endowment funds, investment gains and losses of the endowment funds and split interest agreements and grants for long lived assets.

Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized and presented in the statement of activities by their functional classification. Accordingly, these costs have been allocated among program and support services (general and administrative, and fundraising) based on time and effort and presented in the statement of functional expenses by their natural classification.

New Hampshire Public Broadcasting

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Income Taxes

NHPB is exempt from federal income taxes under the provisions of Section 501(c)(3) of the U.S. Internal Revenue code. Certain of the Organization's tower rental activities, however, are unrelated business income and, therefore, subject to income tax.

Management has evaluated NHPB's tax positions and concluded that, as of June 30, 2021, NHPB does not believe that it has taken any tax positions that would require the recording of any additional tax liabilities. NHPB is currently open to audit under the statute of limitations by the Internal Revenue Service and state taxing authorities three years following the file of the tax return.

Cash and Cash Equivalents

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

Fair Value Measurements

Fair value is 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 determining fair value, NHPB uses various methods, including market, income and cost approaches. Based on these approaches, NHPB often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. NHPB utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the inputs used in the valuation techniques, NHPB is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 -- Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.
- Level 2 -- Observable inputs other than Level 1, including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data.
- Level 3 -- Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair values requires significant management judgment or estimation.

New Hampshire Public Broadcasting

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fair Value Measurements (Continued)

For the years ended 2021 and 2020, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for instruments measured at fair value:

- Government, corporate, and international bonds are valued at fair value based on quoted market prices, when available, or market prices provided by recognized broker dealers.
- The fair value of mutual funds and exchange-traded funds are based on share values reported by the funds as of the last business day of the fiscal year.
- Split interest agreement is based on the present value of expected cash flows using actuarial estimates and assumptions regarding the duration of the agreement.
- Perpetual trusts held by others fair value is determined by NHPB's share of the fair market value of the trust as reported by the trustees.

Change in Accounting Policy

The Organization adopted the FASB issued ASU 2014-09 Revenue From Contracts with Customers (Topic 606) effective for the year ended 2021. The amendments in this ASU, along with numerous clarifications and modifications, require an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Organization applied Topic 606 on a modified retrospective basis. There were no changes to amounts previously reported for 2020 due to the adoption of this ASU.

Upcoming Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases, which, for operating leases, requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in its balance sheet. The standard also requires a lessee to recognize a single lease cost, calculated so that cost of the lease is allocated over the lease term, on a generally straight-line basis. The guidance also expands the required quantitative and qualitative disclosures surrounding leases. The ASU is effective for year ending 2023 for NHPB. NHPB is evaluating the impact of the new guidance on the financial statements.

Reclassifications

Certain reclassifications have been made to the 2020 financial statement to conform to the 2021 classifications. There was no affect on the 2020 net assets or changes in net assets.

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Notes to Financial Statements

Note 2: Cash and Cash Equivalents

NHPB maintains checking accounts at various financial institutions. These accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. At any point in time, NHPB deposits may exceed this limit. During 2021 and 2020, there were periods when the account balances exceeded \$250,000. NHPB has not experienced any losses in such accounts, and management believes there is no significant concentration of credit risk with respect to these accounts.

Note 3: Liquidity and Availability of Financial Resources

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:

<i>As of June 30</i>	2021	2020
Cash and cash equivalents	\$ 2,021,372	\$ 1,102,386
Accounts receivable	30,453	29,453
Contributions receivable	27,006	17,558
Total	\$ 2,078,831	\$ 1,149,397

Note 4: Contributions Receivable

Contributions receivable consist of the following unconditional promises to give:

<i>As of June 30</i>	2021	2020
Underwriting	\$ 17,006	\$ 17,558
Other	10,000	-
Less allowance for uncollectible pledges	-	-
Total unconditional promises to give	27,006	17,558
Amount due in:		
Less than one year	\$ 27,006	\$ 17,558

New Hampshire Public Broadcasting

Notes to Financial Statements

Note 5: Property and Equipment

Property and equipment consist of the following:

<i>As of June 30</i>	2021	2020
Land and improvements	\$ 25,585	\$ 25,585
Building and improvements	4,048,847	4,048,847
Equipment	13,871,960	13,708,571
Furniture and fixtures	104,722	77,803
Computers	2,144,214	2,144,214
	20,195,328	20,005,020
Less accumulated depreciation	(16,819,472)	(16,530,936)
Property and equipment, net	\$ 3,375,856	\$ 3,474,084

Note 6: Investments

Investments at fair value consist of the following:

<i>As of June 30</i>	2021	2020
Cash and money market accounts	\$ 30,924	\$ 83,691
Fixed income securities	372,551	387,214
Equity mutual funds and ETF's	1,403,842	1,435,711
Total	\$ 1,807,317	\$ 1,906,616

Net assets composition by type of fund for the investments are, as follows:

<i>As of June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Donor endowed funds	\$ -	\$ 131,359	\$ 131,359
Board-designated funds	1,675,958	-	1,675,958
Total funds	\$ 1,675,958	\$ 131,359	\$ 1,807,317

New Hampshire Public Broadcasting

Notes to Financial Statements

Note 6: Investments (Continued)

<i>As of June 30, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Donor endowed funds	\$ -	\$ 100,448	\$ 100,448
Board-designated funds	1,806,168	-	1,806,168
Total funds	\$ 1,806,168	\$ 100,448	\$ 1,906,616

Changes in investments for the years ended are, as follows:

<i>Year ended June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Beginning of year	\$ 1,806,168	\$ 100,448	\$ 1,906,616
Distributions	(599,951)	-	(599,951)
Investment income	469,741	30,911	500,652
End of year	\$ 1,675,958	\$ 131,359	\$ 1,807,317

<i>Year ended June 30, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Total
Beginning of year	\$ 1,680,968	\$ 95,682	\$ 1,776,650
Investment income	125,200	4,766	129,966
End of year	\$ 1,806,168	\$ 100,448	\$ 1,906,616

Note 7: Refundable Advances On Grants

Refundable advances on conditional grants consist of the following:

<i>As of June 30,</i>	2021	2020
Paycheck Protection Program	\$ 390,600	\$ 390,600
CPB - ARPA	516,966	-
Other	53,200	11,178
Total	\$ 960,766	\$ 401,778

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Note 7: Investments (Continued)

The Organization has determined the award from the Small Business Administration's (SBA) Paycheck Protection Program (PPP) is a conditional grant and has applied the policy as described in Note 1. Accordingly, the award is reported as a refundable advance liability until the conditions are substantially met or explicitly waived. The Organization has interpreted the condition of the award to be the approval of the forgiveness application by the lender and SBA. The Organization anticipates that the conditions of the award will be substantially met and the full amount of the award will be recognized as revenue.

Note 8: Line of Credit

NHPB maintains a \$1,000,000 line of credit secured by the investment securities of NHPB with a variable interest rate of prime less 1%. The line of credit matures in April 2022 and is subject to review at that time. The outstanding balance was \$0 and \$900,000, as of June 30, 2021 and 2020, respectively.

Note 9: Long Term Debt

In December 2016, NHPB borrowed \$749,000 from the United States Department of Agriculture (USDA) to partially fund the construction of two new towers, located in Hanover and the Littleton, New Hampshire. The loan bears a fixed interest rate of 2.375% and is payable in monthly installments of \$2,420 over a 40-year loan term. The USDA holds a real estate mortgage on the two towers.

Long term debt at is summarized below:

<i>As of June 30,</i>	2021	2020
USDA	\$ 695,621	\$ 707,980
Less: current portion	(12,070)	(12,070)
Long term portion	\$ 683,551	\$ 695,910

Maturities of long-term debt are, as follows:

<i>Years ending</i>	
2022	\$ 12,070
2023	12,960
2024	13,271
2025	13,590
2026	13,916
Thereafter	629,814
	\$ 695,621

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Notes to Financial Statements

Note 10: Net Assets with Donor Restriction

Net assets with donor restrictions are available for the following purposes:

<i>As of June 30,</i>	2021	2020
Time and purpose restricted:		
Underwriting	\$ 17,006	\$ 17,558
Endowment appreciation	35,677	4,766
Capital projects	2,000	27,611
Programming	265,456	71,287
Total time and purpose restricted	\$ 320,139	\$ 121,222
Perpetual in nature:		
Perpetual trust	\$ 2,333,795	\$ 1,870,306
Endowment	95,682	95,682
Total perpetual in nature	2,429,477	1,965,988
Total net assets with donor restrictions	\$ 2,749,616	\$ 2,087,210

Net assets released from restrictions consist of the following:

<i>Years Ended June 30,</i>	2021	2020
Program and operating	\$ 176,762	\$ 221,081
Underwriting	17,558	64,056
Capital purposes	38,000	17,467
Total	\$ 232,320	\$ 302,604

Note 11: Pension

NHPB maintains a defined contribution retirement plan. NHPB employer contribution is determined each year at the discretion of the employer, in an amount up to 6% of compensation. Employees may make additional voluntary contributions. Pension contributions by the employer in 2021 and 2020 amounted to \$9,650 and \$9,780, respectively, and are included in operating expenses.

Note 12: Leases

NHPB has no long-term operating or capital leases. Rent expense for short-term rental agreements was \$32,056 and \$35,774 for the years ended 2021 and 2020, respectively.

New Hampshire Public Broadcasting

Notes to Financial Statements

Note 13: Contingencies

Grants

NHPB receives funding in the form of grants from the Corporation for Public Broadcasting (CPB), which is a private, nonprofit corporation. The grants are governed by various rules and regulations and are subject to audit and adjustment by the grantors; therefore, to the extent that NHPB has not complied with the rules and regulations governing the grants, repayments may be required. In the opinion of NHPB, there are no significant contingent liabilities relating to compliance with the rules and regulations governing these grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

COVID-19

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID 19 Virus Crisis ("CV19 Crisis"). NHPB had not yet suffered material adverse impact from the CV19 Crisis. The future impact of the CV19 Crisis on NHPB, cannot be reasonably estimated at this time.

Note 14: Fair Value Measurements

Fair values of assets measured on a recurring basis are, as follows:

<i>June 30, 2021</i>	Total	Level 1	Level 2	Level 3
Money market fund	\$ 30,924	\$ 30,924	\$ -	\$ -
Fixed income securities	372,551	-	372,551	-
Equity mutual funds and ETF's	1,403,842	1,403,842	-	-
Perpetual trusts	2,333,795	-	-	2,333,795
Total	\$ 4,141,112	\$ 1,434,766	\$ 372,551	\$ 2,333,795

<i>June 30, 2020</i>	Total	Level 1	Level 2	Level 3
Money market fund	\$ 83,691	\$ 83,691	\$ -	\$ -
Fixed income securities	387,214	-	387,214	-
Equity mutual funds and ETF's	1,435,711	1,435,711	-	-
Perpetual trusts	1,870,306	-	-	1,870,306
Total	\$ 3,776,922	\$ 1,519,402	\$ 387,214	\$ 1,870,306

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Notes to Financial Statements

Note 14: Fair Value Measurements (Continued)

The change in value of the level 3 investments is due to the following for the years ended June 30:

	2021	2020
Balance at beginning of year	\$ 1,870,306	\$ 1,770,045
Unrealized gains on investments	463,489	100,261
Balance at end of year	\$ 2,333,795	\$ 1,870,306

The change in value of the assets with level 3 valuation inputs are recorded as part of the investment income in the statement of activities.

Note 15: Subsequent Events

Subsequent events have been evaluated through February 12, 2022, which represents the date the financial statements were available to be issued, and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of these financial statements.