

**HOLY FAMILY COMMUNICATIONS  
d/b/a THE STATION OF THE CROSS**

Financial Statements  
for the Years Ended  
December 31, 2021 and 2020  
with  
Independent Auditors' Report

**HOLY FAMILY COMMUNICATIONS  
d/b/a THE STATION OF THE CROSS**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Holy Family Communications  
d/b/a The Station of the Cross  
Williamsville, New York

### **Opinion**

We have audited the accompanying financial statements of Holy Family Communications d/b/a The Station of the Cross (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Holy Family Communications d/b/a The Station of the Cross as of December 31, 2021 and 2020, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Holy Family Communications d/b/a The Station of the Cross 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 Holy Family Communications d/b/a The Station of the Cross' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or

the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

*Champion Travis Besaw & Karl LLP*

February 4, 2022

**HOLY FAMILY COMMUNICATIONS  
d/b/a THE STATION OF THE CROSS**

**STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
CASH	\$ 581,402	\$ 649,282
PROPERTY AND EQUIPMENT, NET	1,018,604	994,276
INTANGIBLE ASSETS, NET	315	395
SECURITY DEPOSITS	3,400	2,400
STATION ACQUISITION COSTS AND LICENSES	<u>2,182,181</u>	<u>2,069,353</u>
	<u>\$ 3,785,902</u>	<u>\$ 3,715,706</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Line of credit	\$ 50,000	\$ -
Current portion of long-term debt	-	7,046
Accounts payable	-	12,671
Accrued expenses	<u>10,383</u>	<u>7,425</u>
Total current liabilities	60,383	27,142
LONG-TERM DEBT	-	2,786
<b>NET ASSETS:</b>		
Without donor restriction	3,236,380	3,185,864
With donor restriction	<u>489,139</u>	<u>499,914</u>
Total net assets	<u>3,725,519</u>	<u>3,685,778</u>
	<u>\$ 3,785,902</u>	<u>\$ 3,715,706</u>

See notes to financial statements.

**HOLY FAMILY COMMUNICATIONS  
d/b/a THE STATION OF THE CROSS**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2021 (WITH COMPARATIVE TOTALS FOR 2020)**

	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>2021 Total</b>	<b>2020 Total</b>
<b>REVENUE AND OTHER SUPPORT</b>				
Contributions	\$ 1,566,196	-	\$ 1,566,196	\$ 1,885,798
In-kind contributions	8,278	-	8,278	45,172
Rental income	5,500	-	5,500	2,000
Interest income	-	125	125	64
Federal award grant income	10,076	-	10,076	76,622
Other income	2,238	-	2,238	-
Net assets released from restriction	10,900	(10,900)	-	-
	<u>1,603,188</u>	<u>(10,775)</u>	<u>1,592,413</u>	<u>2,009,656</u>
<b>EXPENSES</b>				
Program services	1,213,229	-	1,213,229	1,152,371
Management and general	137,246	-	137,246	125,893
Fundraising	202,197	-	202,197	209,501
	<u>1,552,672</u>	<u>-</u>	<u>1,552,672</u>	<u>1,487,765</u>
CHANGES IN NET ASSETS	50,516	(10,775)	39,741	521,891
NET ASSETS, beginning of year	<u>3,185,864</u>	<u>499,914</u>	<u>3,685,778</u>	<u>3,163,887</u>
NET ASSETS, end of year	<u>\$ 3,236,380</u>	<u>\$ 489,139</u>	<u>\$ 3,725,519</u>	<u>\$ 3,685,778</u>

See notes to financial statements.

**HOLY FAMILY COMMUNICATIONS  
d/b/a THE STATION OF THE CROSS**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>2020 Total</b>
<b>REVENUE AND OTHER SUPPORT</b>			
Contributions	\$ 1,385,298	\$ 500,500	\$ 1,885,798
In-kind contributions	45,172	-	45,172
Rental income	2,000	-	2,000
Interest income	-	64	64
Federal award grant income	76,622	-	76,622
Net assets released from restriction	650	(650)	-
	<hr/>	<hr/>	<hr/>
Total revenue and other support	1,509,742	499,914	2,009,656
<b>EXPENSES</b>			
Program services	1,152,371	-	1,152,371
Management and general	125,893	-	125,893
Fundraising	209,501	-	209,501
	<hr/>	<hr/>	<hr/>
Total expenses	1,487,765	-	1,487,765
CHANGES IN NET ASSETS	21,977	499,914	521,891
NET ASSETS, beginning of year	<hr/>	<hr/>	<hr/>
NET ASSETS, beginning of year	3,163,887	-	3,163,887
NET ASSETS, end of year	<hr/>	<hr/>	<hr/>
NET ASSETS, end of year	\$ 3,185,864	\$ 499,914	\$ 3,685,778

See notes to financial statements.

**HOLY FAMILY COMMUNICATIONS  
d/b/a THE STATION OF THE CROSS**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2021 (WITH COMPARATIVE TOTALS FOR 2020)**

	Program Services	Supporting Services		2021 Total	2020 Total
		Management and General	Fundraising		
Compensation and related expenses					
Salaries and wages	\$ 369,149	\$ 21,715	\$ 43,429	\$ 434,293	\$ 443,894
Payroll taxes	29,936	1,761	3,522	35,219	35,343
Health insurance	37,228	2,190	4,380	43,798	54,677
Total compensation and related expenses	436,313	25,666	51,331	513,310	533,914
Bank charges and fees	-	3,479	-	3,479	3,189
Cleaning and maintenance	26,087	10,034	4,013	40,134	20,422
Contributions	11,135	-	-	11,135	7,676
Depreciation and amortization	75,519	-	-	75,519	61,267
Donation processing	20,575	1,210	2,421	24,206	24,521
Dues and subscriptions	-	184	-	184	671
Engineering expense	45,452	-	-	45,452	33,614
Filing fees	515	-	-	515	15
Insurance	22,011	5,503	-	27,514	25,265
Interest expense	1,326	-	-	1,326	67
Licenses and permits	5,013	-	-	5,013	3,579
Local ministry	-	-	-	-	2,655
Membership drive	-	-	46,392	46,392	46,080
Miscellaneous	491	394	98	983	2,181
Newsletter	35,964	4,231	2,116	42,311	27,617
Office supplies	10,058	5,029	10,058	25,145	35,340
Payroll service	2,146	126	253	2,525	2,494
Postage	5,197	5,197	15,590	25,984	26,699
Printing	95	48	48	191	483
Professional fees	6,207	24,826	-	31,033	26,170
Programming expenses	41,101	-	-	41,101	39,400
Promotion	4,318	-	3,533	7,851	29,239
Rent expense	270,317	15,901	31,802	318,020	293,494
Station consulting	5,906	-	-	5,906	7,844
Studio supplies	3,546	-	-	3,546	605
Taxes	2,122	125	250	2,497	3,282
Telephone and internet	43,274	14,425	14,425	72,124	54,430
Travel and meals	2,909	3,878	2,909	9,696	10,680
Utilities	95,913	5,642	11,284	112,839	108,291
Web page expense	39,719	11,348	5,674	56,741	56,581
Total expenses	\$ 1,213,229	\$ 137,246	\$ 202,197	\$ 1,552,672	\$ 1,487,765

See notes to financial statements.



**HOLY FAMILY COMMUNICATIONS  
d/b/a THE STATION OF THE CROSS**

**STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Program Services	Supporting Services		2020 Total
		Management and General	Fundraising	
Compensation and related expenses				
Salaries and wages	\$ 377,310	\$ 22,195	\$ 44,389	\$ 443,894
Payroll taxes	30,042	1,767	3,534	35,343
Health insurance	46,475	2,734	5,468	54,677
Total compensation and related expenses	453,827	26,696	53,391	533,914
Bank charges and fees	-	3,189	-	3,189
Cleaning and maintenance	13,274	5,106	2,042	20,422
Contributions	7,676	-	-	7,676
Depreciation and amortization	61,267	-	-	61,267
Donation processing	20,843	1,226	2,452	24,521
Dues and subscriptions	-	671	-	671
Engineering expense	33,614	-	-	33,614
Filing fees	15	-	-	15
Insurance	20,212	5,053	-	25,265
Interest expense	67	-	-	67
Licenses and permits	3,579	-	-	3,579
Local ministry	2,655	-	-	2,655
Membership drive	-	-	46,080	46,080
Miscellaneous	1,091	872	218	2,181
Newsletter	23,474	2,762	1,381	27,617
Office supplies	14,136	7,068	14,136	35,340
Payroll service	2,120	125	249	2,494
Postage	5,340	5,340	16,019	26,699
Printing	241	121	121	483
Professional fees	5,234	20,936	-	26,170
Programming expenses	39,400	-	-	39,400
Promotion	16,081	-	13,158	29,239
Rent expense	249,470	14,675	29,349	293,494
Station consulting	7,844	-	-	7,844
Studio supplies	605	-	-	605
Taxes	2,790	164	328	3,282
Telephone and internet	32,658	10,886	10,886	54,430
Travel and meals	3,204	4,272	3,204	10,680
Utilities	92,047	5,415	10,829	108,291
Web page expense	39,607	11,316	5,658	56,581
Total expenses	\$ 1,152,371	\$ 125,893	\$ 209,501	\$ 1,487,765

See notes to financial statements.

**HOLY FAMILY COMMUNICATIONS  
d/b/a THE STATION OF THE CROSS**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Changes in net assets	\$ 39,741	\$ 521,891
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	75,519	61,267
Forgiveness of debt	(9,832)	(66,622)
Changes in operating assets and liabilities:		
Prepaid expenses	-	1,733
Security deposits	(1,000)	-
Accounts payable	(12,671)	3,646
Accrued expenses	2,958	4,413
Net cash provided by operating activities	<u>94,715</u>	<u>526,328</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(99,767)	(122,896)
Station acquisition costs	(112,828)	(15,650)
Net cash used in investing activities	<u>(212,595)</u>	<u>(138,546)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Borrowings on line of credit	50,000	-
Proceeds from long-term debt	-	76,622
Repayments of long-term debt	-	(168)
Net cash provided by financing activities	<u>50,000</u>	<u>76,454</u>
<b>NET CHANGE IN CASH</b>	<b>(67,880)</b>	<b>464,236</b>
<b>CASH, BEGINNING OF YEAR</b>	<b><u>649,282</u></b>	<b><u>185,046</u></b>
<b>CASH, END OF YEAR</b>	<b><u><u>\$ 581,402</u></u></b>	<b><u><u>\$ 649,282</u></u></b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Interest paid	<u>\$ 1,326</u>	<u>\$ 67</u>
<b>SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING TRANSACTIONS:</b>		
Purchases of property and equipment in accounts payable	<u>\$ -</u>	<u>\$ 6,982</u>

See notes to financial statements.

**HOLY FAMILY COMMUNICATIONS  
d/b/a THE STATION OF THE CROSS**

**NOTES TO FINANCIAL STATEMENTS  
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

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**1. ORGANIZATION**

Holy Family Communications d/b/a The Station of the Cross (the “Organization”) is a not-for-profit Catholic media organization. The Organization operates radio stations broadcasting to all or portions of Western and Central New York, the Boston, Massachusetts area, Northeast Ohio, and Oil City and Erie, Pennsylvania areas. The Organization also operates on the internet as iCatholicRadio.com and as iCatholicRadio mobile applications.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting*** – The financial statements are prepared on the accrual basis of accounting and according to current accounting standards, which require that all not-for-profit organizations provide a statement of financial position, a statement of activities, and a statement of cash flows. A separate presentation of expenses by function and classification is also required. Classification of net assets and revenues, expenses, gains, and losses are based on the existence or absence of donor-imposed restrictions.

Generally accepted accounting principles require that resources be classified for reporting purposes into two categories based upon the presence or absence of donor restrictions – with donor restrictions or without donor restrictions. Net assets without donor restrictions represents resources available for the general support of the Organization’s activities and may be designated by the Organization’s Board of Directors for specific purposes. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the Organization. As restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

The Organization accounts for contributions in accordance with current accounting standards, which require an organization to recognize contributions, including unconditional promises to give, as revenue when received. These standards also require not-for-profit organizations to distinguish between contributions received that increase net assets without donor restrictions and net assets with donor restrictions, and require recognition of the expiration of donor-imposed restrictions in the period in which the restrictions expire.

***Cash*** – Cash represents demand deposit accounts with financial institutions, which, at times, may exceed federally-insured limits. The Organization has not experienced any losses in such accounts. Management believes that the Organization is not exposed to any significant credit risk with respect to its cash.

***Property and Equipment*** – Property and equipment are stated at cost at the date of acquisition or, if donated, at the approximate fair value at the date of donation. Depreciation and amortization are computed using straight-line and accelerated methods at annual rates, which are sufficient to amortize the gross carrying amounts over the estimated useful lives (3 – 39 years). Maintenance and repairs are charged to operations as incurred; significant betterments are capitalized.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Station Acquisition Costs and Licenses** – The Organization has incurred costs to acquire stations and licenses that management has determined to have indefinite useful lives and therefore are not amortized. Instead, these assets are reviewed annually for impairment, or more frequently, when conditions indicate that impairment may have occurred. Management has determined that there is no impairment of value at December 31, 2021 and 2020. FCC license renewals are expensed as incurred.

**Intangible Assets** – Intangible assets are comprised of a trademark, web page, and software that are carried at cost, amortized using the straight-line method over ten, three, and five years, respectively.

**In-Kind Contributions** – Donated marketable securities and real property are recorded as contributions at their fair values at the date of donation.

**Promotion** – The Organization expenses all promotion costs when incurred. Promotion expense amounted to approximately \$8,000 and \$29,000 for the years ended December 31, 2021 and 2020, respectively.

**Income Taxes** – The Organization is a 501(c)(3) organization exempt from federal income taxes under Section 501(a) of the Internal Revenue Code and from New York State income taxes under Article 7-A of the Executive Law. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2) of the Internal Revenue Code.

**Functional Expenses** – The Organization allocates depreciation, amortization, and interest generally on the basis of department for which the assets were purchased or constructed; the allocation of compensation and related expenses are based on head count of employees and direct cost to specified departments; the allocation of membership drive and donation processing are based on direct costs associated with fundraising expenses; and the allocation of all other expenses between program services, management and general, and fundraising are based on management’s reasonable percentage estimate of job function.

**Accounting Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

**Subsequent Events** – Management of the Organization has evaluated the effects of all subsequent events through February 4, 2022, the date the financial statements were available to be issued, to determine if events or transactions occurring through that date require potential adjustments or disclosure in the financial statements.

## 3. LIQUIDITY

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

	2021	2020
Cash	\$ 581,402	\$ 649,282

### 3. LIQUIDITY (continued)

The Organization had \$489,139 and \$499,914 of cash that was subject to donor or other contractual restrictions that made the restricted cash unavailable for general expenditure within one year of the statement of financial position date of December 31, 2021 and 2020, respectively.

As more fully described in Note 6, the Organization has a committed line of credit through a financial institution for borrowings up to \$250,000, which could be drawn upon in the event of an unanticipated liquidity need. There was \$200,000 and \$250,000 available to be drawn on the line of credit as of December 31, 2021 and 2020, respectively.

### 4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31:

	2021	2020
Land	\$ 285,539	\$ 285,539
Buildings and improvements	432,014	432,014
Leasehold improvements	275,880	275,880
Office furniture and fixtures	43,614	43,614
Machinery and equipment	<u>2,011,294</u>	<u>1,911,527</u>
	3,048,341	2,948,574
Less accumulated depreciation	<u>2,029,737</u>	<u>1,954,298</u>
	<u>\$ 1,018,604</u>	<u>\$ 994,276</u>

Depreciation expense was \$75,439 and \$61,187 for the years ended December 31, 2021 and 2020, respectively.

On January 26, 2022, the Organization sold a building for \$575,000 which resulted in a gain on sale of approximately \$230,000.

### 5. FCC LICENSES

The Organization operates sixteen (16) radio stations under licenses granted by the Federal Communications Commission. WLOF 101.7 FM operates in the Buffalo, New York listening area, WHICH 1460 AM and 92.9 FM operate in the Rochester, New York area, WQOM 1060 AM operates in the Boston, Massachusetts area, WMTQ 88.1 FM operates in the Corning/Elmira, New York area, WTMI 88.7 FM operates in the Syracuse, New York area, WQHE 88.3 FM operates in the Oil City, Pennsylvania area, WMIH 92.1 FM and WMIH 89.5 FM operates in the Erie, Pennsylvania and Northeast Ohio area, WLGU 90.7 FM operates in Lancaster, New York, W275ER 99.3 operates in Greece, New York, W203AW 88.5 operates in Fredonia, New York, WESO 970 AM and WNEB 1230 AM operate in the Worcester, MA area, and WGGO 1590 AM and W263CZ 100.5 FM operate in the Salamanca, NY area.

**6. LINE OF CREDIT**

The Organization has a \$250,000 line of credit with a bank, with interest at the bank’s prime rate (3.25% at December 31, 2021). Bank advances on the line of credit are payable on demand. The line is secured by the assets of the Organization and is personally guaranteed by the President of the Organization. There was \$50,000 of borrowings outstanding on the line of credit as of December 31, 2021. There were no borrowings outstanding on the line of credit as of December 31, 2020.

**7. LONG-TERM DEBT**

In April 2020, the Organization received a loan in the amount of \$76,622, pursuant to the Paycheck Protection Program (“PPP”) under division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), enacted on March 27, 2020. The proceeds from the loan have been used for eligible payroll costs, utilities, and rent during the covered period. In December 2020, \$66,622 of the PPP loan was forgiven. In March 2021, the remaining outstanding loan balance was forgiven and payments on the loan were refunded, including principal and interest, totaling \$10,076 and was included in federal award grant income in the statements of activities and changes in net assets.

**8. NET ASSETS WITH DONOR RESTRICTION**

Net assets with donor restriction consisted of the following as of December 31:

	<b>2021</b>	<b>2020</b>
Net assets with donor restriction, beginning of year	\$ 499,914	\$ -
Donation for future station acquisition	-	500,000
Donations for Mobile Ultrasound Project	-	500
Interest income	125	64
Net assets released from restriction	<u>(10,900)</u>	<u>(650)</u>
Net assets with donor restriction, end of year	<u>\$ 489,139</u>	<u>\$ 499,914</u>

In October 2020, the Organization received a contribution of \$500,000. The funds are restricted for the establishment of a new radio station in Springfield, Massachusetts which is expected to occur in 2022.

**9. DONATED GOODS AND SERVICES**

The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs, fundraising efforts and committee assignment. No accounting recognition is made for the fair market value of services provided by volunteer personnel as no objective basis is available to measure the value of such services.

**10. OFFICER’S LIFE INSURANCE**

The Organization is the owner and beneficiary of a term life insurance policy with a \$300,000 face value on the life of the President of the Organization.

**11. LEASE COMMITMENTS**

The Organization leases space on transmission towers, studio and office space, land, and office equipment from various lessors with varying terms through August 2026. Rent expense relating to these leases totaled approximately \$155,000 and \$138,000 for the years ended December 31, 2021 and 2020, respectively.

The Organization leases space on a transmission tower in Ashland, Massachusetts from a non-related party under a lease agreement expiring through September 2025. The Organization may renew the lease for an additional five-year term. Total rental expense under this lease was approximately \$163,000 and \$156,000 for the years ended December 31, 2021 and 2020, respectively.

Future minimum lease payments during the five years subsequent to December 31, 2021 are as follows:

	<b>Office and Radio Stations</b>	<b>Office Equipment</b>	<b>Total</b>
2022	\$ 306,413	\$ 2,640	\$ 309,053
2023	296,873	2,640	299,513
2024	280,201	-	280,201
2025	203,639	-	203,639
2026	10,204	-	10,204

**12. INTENTIONS TO GIVE (unaudited)**

The amount of pledges with intentions to give totaled approximately \$244,000 and \$250,000 as of December 31, 2021 and 2020, respectively, which have not been audited and are merely disclosed for informational purposes.

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