

**NORTHERN NEW MEXICO  
RADIO FOUNDATION**

Financial Statements

December 31, 2013 and 2012

(With Independent Auditors' Report Thereon)

**NORTHERN NEW MEXICO RADIO FOUNDATION**

Official Roster  
Board of Directors  
As of December 31, 2013

Frank Katz.....	President
Jim Fitzpatrick.....	Vice President
Helena Ribe .....	Treasurer
John Andrews.....	Secretary
Tom Johnson.....	Director
Diane Karp.....	Director
Lois Rudnick.....	Director

# NORTHERN NEW MEXICO RADIO FOUNDATION

## Financial Statements

December 31, 2013 and 2012

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Shelly Felt  
CPA♦LLC

**Independent Auditors' Report**

Board of Directors  
Northern New Mexico Radio Foundation  
Santa Fe, New Mexico

**Report on Financial Statements**

We have audited the accompanying financial statements of Northern New Mexico Radio Foundation (NNMRF) which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 NNMRF as of December 31, 2013 and 2012, 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.

Shelly Felt  
CPA ♦ LLC

*Other Matter*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on pages 15 and 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Shelly Felt, CPA, LLC

October 23, 2014  
Santa Fe, New Mexico

**NORTHERN NEW MEXICO RADIO FOUNDATION**  
**Statements of Financial Position**  
**December 31, 2013 and 2012**

**ASSETS**

	2013	2012
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 28,261	\$ 23,663
Accounts receivable, net	11,723	28,639
Government receivables	7,292	2,984
Pledges receivable	20,000	20,000
Prepaid expenses	14,686	5,541
Total current assets	81,962	80,827
<b>PROPERTY AND EQUIPMENT, net</b>	1,822	18,685
<b>TOTAL ASSETS</b>	\$ 83,784	\$ 99,512

The accompanying notes are an integral part of these financial statements.

**NORTHERN NEW MEXICO RADIO FOUNDATION**  
**Statements of Financial Position (Continued)**  
**December 31, 2013 and 2012**

**LIABILITIES AND NET ASSETS**

	2013	2012
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 33,313	\$ 20,489
Payroll and payroll taxes payable	8,104	3,347
Deferred revenue	11,536	27,951
Line of credit	-	18,960
	52,953	70,747
Total current liabilities	52,953	70,747
Total liabilities	52,953	70,747
<b>NET ASSETS</b>		
Unrestricted	30,831	28,765
Temporarily restricted	-	-
	30,831	28,765
Total net assets	30,831	28,765
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 83,784	\$ 99,512

The accompanying notes are an integral part of these financial statements.

**NORTHERN NEW MEXICO RADIO FOUNDATION**  
**Statement of Activities**  
**For the Year Ended December 31, 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUES AND SUPPORT</b>				
Contributions	\$ 308,495	\$ -	\$ -	\$ 308,495
Program underwriting	138,892	-	-	138,892
Government revenue	26,653	-	-	26,653
Grants	98,000	-	-	98,000
In-kind donations	61,560	-	-	61,560
Studio rental	850	-	-	850
Miscellaneous income	800	-	-	800
Investment income (loss)	4	-	-	4
Gain (loss) on asset disposition	-	-	-	-
Special events	39,511	-	-	39,511
Royalty and licensing fees	90	-	-	90
	<u>674,855</u>	<u>-</u>	<u>-</u>	<u>674,855</u>
Total revenues and support				
Net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues, support and reclassifications	<u>674,855</u>	<u>-</u>	<u>-</u>	<u>674,855</u>
<b>EXPENSES</b>				
Program expenses	493,651	-	-	493,651
Management & administrative	62,658	-	-	62,658
Fundraising expenses	116,480	-	-	116,480
	<u>672,789</u>	<u>-</u>	<u>-</u>	<u>672,789</u>
Total expenses				
CHANGE IN NET ASSETS	2,066	-	-	2,066
NET ASSETS-BEGINNING OF YEAR	<u>28,765</u>	<u>-</u>	<u>-</u>	<u>28,765</u>
NET ASSETS-END OF YEAR	<u>\$ 30,831</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,831</u>

The accompanying notes are an integral part of these financial statements.



**NORTHERN NEW MEXICO RADIO FOUNDATION**  
**Statement of Activities**  
**For the Year Ended December 31, 2012**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUES AND SUPPORT</b>				
Contributions	\$ 281,761	\$ -	\$ -	\$ 281,761
Program underwriting	152,867	-	-	152,867
Government revenue	35,634	-	-	35,634
Grants	69,000	-	-	69,000
In-kind donations	40,276	-	-	40,276
Studio rental	200	-	-	200
Investment income (loss)	49	-	-	49
Gain (loss) on asset disposition	-	-	-	-
Special events	37,535	-	-	37,535
Royalty and licensing fees	289	-	-	289
	<u>617,611</u>	<u>-</u>	<u>-</u>	<u>617,611</u>
Net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>617,611</u>	<u>-</u>	<u>-</u>	<u>617,611</u>
<b>EXPENSES</b>				
Program expenses	483,513	-	-	483,513
Management & administrative	48,641	-	-	48,641
Fundraising expenses	143,235	-	-	143,235
	<u>675,389</u>	<u>-</u>	<u>-</u>	<u>675,389</u>
CHANGE IN NET ASSETS	(57,778)	-	-	(57,778)
NET ASSETS-BEGINNING OF YEAR	<u>86,543</u>	<u>-</u>	<u>-</u>	<u>86,543</u>
NET ASSETS-END OF YEAR	<u>\$ 28,765</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,765</u>

The accompanying notes are an integral part of these financial statements.

**NORTHERN NEW MEXICO RADIO FOUNDATION**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2013 and 2012**

	2013	2012
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 2,066	\$ (57,778)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	16,863	21,167
Allowance for doubtful accounts	(4,900)	-
(Increase) decrease in:		
Accounts receivable	21,816	(2,049)
Pledges receivable	-	(2,460)
Government receivables	(4,308)	3,041
Other assets	(9,145)	(5,541)
Increase (decrease) in:		
Accounts payable and accrued expenses	12,824	(5,503)
Payroll & taxes payable	4,757	(1,204)
Deferred revenue	(16,415)	(9,313)
	<u>23,558</u>	<u>(59,640)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Draws on line of credit	16,090	20,000
Paydown of line of credit	(35,050)	(1,040)
	<u>(18,960)</u>	<u>18,960</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	4,598	(40,680)
<b>CASH AND CASH EQUIVALENTS-BEGINNING OF YEAR</b>	<u>23,663</u>	<u>64,343</u>
<b>CASH AND CASH EQUIVALENTS-END OF YEAR</b>	<u>\$ 28,261</u>	<u>\$ 23,663</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Interest paid during the year	\$ 1,039	\$ 35
Donated services and goods	\$ 61,560	\$ 40,276

The accompanying notes are an integral part of these financial statements.

# NORTHERN NEW MEXICO RADIO FOUNDATION

## Notes to Financial Statements

### A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities: Northern New Mexico Radio Foundation (Organization) is a not-for-profit New Mexico corporation organized under the laws of the State of New Mexico in 1996. The purpose of the Organization is to manage and operate a public non-commercial radio station, KSFR (101.1 FM). KSFR serves the public interest by providing cultural, entertainment, and educational radio broadcast programs for the Santa Fe area and surrounding community. The station's support comes primarily from individual contributions, underwriting contributions, foundation grants, and state and city grants.

In 2001, the Organization entered into a Management Agreement (the Agreement) with Santa Fe Community College (College) for the operation of KSFR (the Station). Pursuant to the Agreement, the Organization assumed responsibility for the management and operation of the Station, while the College remains the Federal Communication Commission (FCC) licensee of the Station.

Basis of Accounting: The financial statements of the Organization are prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

Basis of Presentation: In accordance with U.S. generally accepted accounting principles, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. The net assets of the Organization are classified and reported as follows:

Unrestricted Net Assets: The Organization reports assets whose use is not restricted by donors as unrestricted net assets. Contributions are available for unrestricted use unless specifically restricted by the donor. Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or law.

Temporarily Restricted Net Assets: Temporarily restricted net assets include gifts, unconditional promises to give, trusts and remainder interests, income and gains which can be expended but for which restrictions have not yet been met. Such restrictions include restrictions where donors have specified the purpose for which the net assets are to be spent, or time limitations imposed by donors or implied by the nature of the gift (capital projects and unconditional promises to give to be paid in the future). Expirations of temporary restrictions on net assets, that is, the donor-imposed stipulated purpose has been accomplished and or the stipulated time period has elapsed, are reported as reclassifications between the applicable classes of net assets. Temporarily restricted grants and donations received and spent within the same year are recorded as unrestricted for purposes of the statement of activities.

# NORTHERN NEW MEXICO RADIO FOUNDATION

## Notes to Financial Statements

### A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Permanently Restricted Net Assets: Permanently restricted net assets are contributed with donor restrictions requiring that they be held in perpetuity with investment return available for operations. There were no permanently restricted net assets at December 31, 2013 and 2012.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents: The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains cash deposits in bank checking and savings accounts which at times may exceed FDIC limits.

Property and Equipment: Purchased property, equipment, and intangible assets are recorded at cost and donations of property and equipment are recorded as support at their estimated fair value at the date of donation. It is the policy of the Organization to capitalize expenditures for property and equipment in excess of \$1,000 when the useful life extends beyond one year. Donations of property, equipment and intangible assets are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

Certain property may be purchased with government grants, restrictive financing agreements, or under the terms of the Agreement with the College. If these assets were to be sold by the Organization or not used for their intended charitable purpose repayment may be required or the property may be required to be returned to the College or other entity upon cessation of the Agreement with the Organization.

Amortization and depreciation is calculated using the straight-line method over the estimated useful lives, from five to ten years.

Accounts, Contributions, Pledges and Grants Receivable: The Organization's receivables are principally due from members, donors and sponsors. Receivables are due on receipt for most membership donations. Receivables from sponsors for underwriting agreements are due per predetermined payment schedules related to underwriting program placement. Receivables are included in the statement of financial position at amounts due net of an allowance for doubtful accounts. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance. Allowances for uncollectible receivables are based on analysis and aging of

# NORTHERN NEW MEXICO RADIO FOUNDATION

## Notes to Financial Statements

### A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Accounts, Contributions, Pledges and Grants Receivable (Continued): receivables. Pledges receivable represent amounts pledged by the public during periodic fundraising drives held by the Organization that are paid thereafter by monthly installment. Grants receivable represent unconditional pledges by corporations, private foundations or other grantors. Government revenue receivables represent amounts collectible under broadcasting service agreements with government entities.

#### Revenue Recognition:

*Contributions* - Unrestricted contributions are recognized when cash or ownership of donated assets is unconditionally promised to the Organization. The Organization recognizes gifts of cash and other assets as temporarily restricted if they are received with donor stipulations of purpose or time.

*Program Underwriting* – Revenue for program underwriting is deferred and recognized on a pro rata basis for the period covered. The Organization considers these contributions as conditional gifts in the year received or pledged and defers this revenue as the gift may be returned if the program sponsorship is not completed.

*Productions and Educational Resources* – Revenue for production and educational resource grants is deferred and recognized on the percentage of completion method. The Organization considers these contributions as conditional gifts in the year received or pledged and defers this revenue as the gift may be returned if the production is not completed.

*Support from Governmental Agencies* - The Organization recognizes revenue from governmental agencies as it is earned and is reported as unrestricted revenue.

*Royalties and Licensing Fees* - The Organization recognizes income for royalties and licensing fees from the use of its intellectual property. Revenue is recognized as earned based on contractual agreements or when its intellectual property is made available for use.

*Barter transactions* – The Organization records revenue and expense for barter transactions, if any, based on the estimated fair value of goods and services exchanged during the year.

*Special events* – Revenues and expenses relating to special events are recognized in the period the event takes place.

# NORTHERN NEW MEXICO RADIO FOUNDATION

## Notes to Financial Statements

### A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Revenue Recognition (Continued):

*Contributed Materials and Services:* The Organization receives in-kind donations of facilities, services, advertising and supplies. Contributions of facilities and supplies are recorded at their estimated fair values at the date of donation. Donated services that (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would otherwise be purchased by the Organization if not provided by donation, are recorded at their fair values in the period received.

Licensed Program Rights: Licensed program rights are recorded at cost. These programs are expensed on a straight-line basis over the period of the license agreement and are included in prepaid expenses in the accompanying financial statements.

Advertising: The Organization follows the policy of charging the costs of advertising to expense as incurred.

Functional Allocation of Expenses: The costs of providing the various program services and other activities have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Income Tax Status: The Organization has received recognition from the Internal Revenue Service that it qualifies as a non-profit Corporation under Section 501(c)(3) of the Internal Revenue Code. The Organization files required annual tax returns with the Internal Revenue Service and the New Mexico Attorney General. The Organization may be subject from time to time to taxation on unrelated business income, but, in the opinion of management, such tax, if any, is immaterial. The years open to IRS examination are December 31, 2013, 2012 and 2011.

Reclassifications: Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

### B. CASH AND CASH EQUIVALENTS

At December 31, 2013 and 2012, respectively, the Organization had on deposit \$28,261 and \$23,663 in checking and savings accounts. Interest earned on the checking and savings accounts for the year ended December 31, 2013 was \$4 and for the year ended December 31, 2012 was \$49.

# NORTHERN NEW MEXICO RADIO FOUNDATION

## Notes to Financial Statements

### C. RECEIVABLES

There were \$12,323 and \$34,139 in accounts receivable associated with underwriting revenue for the years ended December 31, 2013 and 2012, respectively. For the years ended December 31, 2013 and 2012, management established a receivable allowance of \$600 and \$5,500 for estimated uncollectible accounts associated with these accounts, respectively. The net accounts receivable as of year-end were \$11,723 and \$28,639.

There were \$20,000 in pledges receivable as of December 31, 2013 and December 31, 2012, with an estimated allowance of \$0. The pledges receivable represent pledges made during the calendar year that are estimated will be paid in monthly installments during the next calendar year.

There were \$7,292 and \$2,984 in government revenue receivables due for the years ended December 31, 2013 and 2012, respectively. Management did not establish an allowance for the government revenue receivable. Any amounts owed the organization were collected in full after year-end.

### D. PROPERTY AND EQUIPMENT

	<u>12/31/2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2013</u>
Signal upgrade	\$ 86,056	\$ -	\$ -	\$ 86,056
Studio improvements and equipment	<u>40,845</u>	<u>-</u>	<u>-</u>	<u>40,845</u>
Subtotal	126,901	-	-	126,901
Accumulated depreciation	<u>(108,216)</u>	<u>(16,863)</u>	<u>-</u>	<u>(125,079)</u>
Property and equipment, net	<u>\$ 18,685</u>	<u>\$ (16,863)</u>	<u>\$ -</u>	<u>\$ 1,822</u>

Depreciation for the years ended December 31, 2013 and 2012 was \$16,863 and \$21,167, respectively.

### E. RESTRICTED NET ASSETS

There were no temporarily restricted net assets as of December 31, 2013 and 2012.

There were no permanently restricted net assets as of December 31, 2013 and 2012.

### F. IN-KIND CONTRIBUTIONS

The Organization receives in-kind donations of facilities, advertising, services and supplies. These donations are reflected in the financial statements to the extent they meet the criteria for recognition.

# NORTHERN NEW MEXICO RADIO FOUNDATION

## Notes to Financial Statements

### F. IN-KIND CONTRIBUTIONS - CONTINUED

The Organization leases broadcast tower space under a month-to-month operating lease with the College. No rent payment is due under the lease terms. However, \$16,000 per year is the estimated fair value, which is recorded as an annual in-kind donation and rental expense.

The Organization leases office and studio space under a month-to-month operating lease with the College. No rent payment is due under the lease terms. However, \$12,600 per year is the estimated fair value, which is recorded as an annual in-kind donation and rental expense.

The Organization received contributed advertising during the years ended December 31, 2013 and 2012. The estimated fair market value of the advertising received in December 31, 2013 is \$20,348. The estimated fair market value of the advertising received in December 31, 2012 is \$11,363. The amounts are recorded as an annual in-kind donation and advertising expense.

The Organization also received \$6,320 in other contributed items, such as tickets to local events and food, during the year ended December 31, 2013. The estimated fair market value of these contributions is included as in-kind contribution and expense in the statement of activities.

The Organization recognized \$0 and \$313 in donated professional services during the years ended December 31, 2013 and 2012, respectively.

A substantial number of unpaid volunteers, including hours contributed by on-air producers, have made significant contributions of their time that did not meet the criteria for recognition.

### G. COMMITMENTS AND CONTINGENCIES

The Organization has an operating agreement with Santa Fe Community College. Under the agreement, the College, the holder of a Federal Communications Commission (FCC) license, has engaged the Organization to undertake the management and operation of the Station KSFR, White Rock, 101.1 FM. The College may terminate its agreement with the Organization if the Station is operated contrary to the requirements of the FCC licenses or applicable laws, rules and regulations and if the Organization is operating the Station in a manner that is likely to have a negative financial impact on the College.

The Organization has a lease commitment with a third party to rent tower space. The Organization pays approximately \$1,500 per month for the tower space.



# NORTHERN NEW MEXICO RADIO FOUNDATION

## Notes to Financial Statements

### G. COMMITMENTS AND CONTINGENCIES - CONTINUED

Amounts received and expended by the Organization under various governmental award programs are subject to audit by governmental agencies. In the opinion of management, changes arising from such audits, if any, will not have a significant effect on its financial position. The Organization is party to various legal proceedings arising in the ordinary course of business. Management believes that resolution of these matters will not have a significant adverse effect on the Organization's financial position, changes in net assets, or cash flows.

### H. LINE OF CREDIT

The Organization maintains a one year line of credit agreement with a bank which permits the Organization to borrow up to \$25,000 at a variable interest rate based on the Wall Street Journal Prime rate, with a minimum interest rate of 6%. The balance on the line of credit as of December 31, 2013 was \$0 and as of December 31, 2012 was \$18,960, respectively.

### I. RISKS AND UNCERTAINTIES

KSFR depends on government awards, grants, individual contributions, and underwriting funds for its revenue. The ability of certain of its contributors and grantors and underwriters to continue giving amounts comparable with prior years may be dependent upon current and future overall economic conditions. While KSFR believes it has the resources to continue its programs, its ability to do so and the extent to which it continues to do so may be dependent upon such economic factors.

### J. RELATED PARTY TRANSACTIONS

As of the year ended December 31, 2013, KSFR owed its station manager \$6,785 in unreimbursed expenditures.

### K. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 23, 2014, the date on which the financial statements were available to be issued.

KSFR renewed its line of credit with a local bank on April 21, 2014. As of the date of this report, KSFR owed \$25,000 on the line of credit.

As of the date of this report, KSFR owed its station manager \$22,194 in unreimbursed business expenditures and \$10,000 in a personal loan.

**NORTHERN NEW MEXICO RADIO FOUNDATION**  
**Schedule of Functional Expenses**  
**For the Year Ended December 31, 2013**

	<u>Program</u>	<u>Management &amp; Administration</u>	<u>Fundraising</u>	<u>Total</u>
Salaries & commissions	\$ 271,986	\$ 24,810	\$ 70,753	\$ 367,549
Payroll taxes	22,286	2,033	5,797	30,116
Employee benefits & expenses	37	3	10	50
Reimbursed expenses	-		7,200	7,200
Advertising	495	-	-	495
Advertising & other in-kind	24,158	-	2,600	26,758
Bank & credit card charges	86	-	6,651	6,737
Broadcast supplies	1,231	-	-	1,231
Contractors	850		-	850
Depreciation	16,863	-	-	16,863
Dues & memberships	299	-	-	299
Fund drive expenses	-	-	1,965	1,965
Insurance	10,821	1,909	-	12,730
Interest	779	73	187	1,039
Licenses & fees	903	47	-	950
Miscellaneous	1,326	175	-	1,501
Postage	-	887	7,982	8,869
Professional services	21,030	29,824	-	50,854
Professional services, in-kind	-	-	-	-
Programming and website	50,910	-	1,573	52,483
Promotional merchandise	-	-	1,035	1,035
Provision for bad debts	-	-	29	29
Rent, in-kind	27,170	1,144	286	28,600
Special events	130	650	9,901	10,681
Station operations	2,916	-	-	2,916
Station operations, small equipment	2,929	-	-	2,929
Supplies	471	944	472	1,887
Telecommunications	3,766	159	39	3,964
Tower, Pajarito	31,689	-	-	31,689
Tower, West Alameda	520	-	-	520
	<u>\$ 493,651</u>	<u>\$ 62,658</u>	<u>\$ 116,480</u>	<u>\$ 672,789</u>

The accompanying notes are an integral part of these financial statements.

**NORTHERN NEW MEXICO RADIO FOUNDATION**  
**Schedule of Functional Expenses**  
**For the Year Ended December 31, 2012**

	<u>Program</u>	<u>Management &amp; Administration</u>	<u>Fundraising</u>	<u>Total</u>
Salaries & commissions	\$ 280,538	\$ 25,590	\$ 72,978	\$ 379,106
Payroll taxes	24,129	2,201	6,277	32,607
Employee benefits & expenses	5,162	471	1,343	6,976
Reimbursed expenses	120		7,280	7,400
Advertising	865	-	-	865
Advertising & other in-kind	11,362	-	-	11,362
Bank & credit card charges	125	-	6,680	6,805
Broadcast supplies	1,181	-	-	1,181
Contractors	322	313	-	635
Depreciation	21,167	-	-	21,167
Dues & memberships	1,155	-	-	1,155
Fund drive expenses	-	-	3,021	3,021
Insurance	11,200	1,976	-	13,176
Interest	26	3	6	35
Licenses & fees	874	46	-	920
Miscellaneous	-	-	-	-
Postage	-	683	6,150	6,833
Professional services	5,945	13,401	19,041	38,387
Professional services, in-kind	-	313	-	313
Programming and website	46,255	-	2,176	48,431
Promotional merchandise	-	-	1,928	1,928
Provision for bad debts	-	-	-	-
Rent, in-kind	27,170	1,144	286	28,600
Special events	130	650	15,169	15,949
Station operations	1,408	-	-	1,408
Station operations, small equipment	18,941	-	-	18,941
Supplies	874	1,748	874	3,496
Telecommunications	2,427	102	26	2,555
Tower, Pajarito	21,890	-	-	21,890
Tower, West Alameda	247	-	-	247
	<u>\$ 483,513</u>	<u>\$ 48,641</u>	<u>\$ 143,235</u>	<u>\$ 675,389</u>

The accompanying notes are an integral part of these financial statements.