



NEBRASKA JOURNALISM TRUST
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
YEARS ENDED DECEMBER 31, 2024 AND 2023

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- 1 -

CONTENTS

Page

INDEPENDENT AUDITORS' REPORT 1 - 2

FINANCIAL STATEMENTS

Statements of Financial Position 3 Statements of Activities and Changes in Net Assets 4

Statements of Functional Expenses 5 - 6 Statements of Cash Flows 7 Notes to Financial

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Nebraska Journalism Trust
Omaha, Nebraska

Report on the Audit of the Financial Statements***Opinion***

We have audited the financial statements of Nebraska Journalism Trust (the Organization), which comprise the statements of financial position as of December 31, 2024 and 2023 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BLAND & ASSOCIATES, P.C.

BLAND + ASSOCIATES, P.C.

Omaha, Nebraska
November 12, 2025

CURRENT ASSETS

Cash and Cash Equivalents \$ 3,444,953 \$ 2,180,436 Current Portion of Contributions and Grants Receivable
1,098,355 727,920 Prepaid Expenses 8,333 - Security Deposits 5,626 - Total Current Assets 4,557,267 2,908,356

PROPERTY AND EQUIPMENT

Office Equipment 5,189 - 5,189 -
Less Accumulated Depreciation (43) - Total Property and Equipment 5,146 -

OTHER ASSETS

Intangible Assets, Net of Accumulated Amortization 92,762 102,476 Beneficial Interest in Assets Held by
Community Foundation 414,607 323,649 Contributions and Grants Receivable, Less Current Portion, Net of
Discount 529,242 150,030 Operating Lease Right-of-Use-Asset 437,436 - Total Other Assets 1,474,047 576,155

\$ 6,036,460 \$ 3,484,511

December 31,

LIABILITIES AND NET ASSETS 2024 2023**CURRENT LIABILITIES**

Accounts Payable \$ 33,693 \$ 5,519 Accrued Expenses 75,032 51,231 Current Portion of Operating Lease Liability
50,875 - Total Current Liabilities 159,600 56,750

LONG-TERM LIABILITIES

Operating Lease Liability, Less Current Portion 387,001 - Total Long-Term Liabilities 387,001 - Total Liabilities
546,601 56,750

COMMITMENTS AND CONTINGENCIES - -**NET ASSETS**

Without Donor Restrictions 3,725,591 2,357,777 With Donor Restrictions 1,764,268 1,069,984 Total Net Assets
5,489,859 3,427,761

\$ 6,036,460 \$ 3,484,511

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

- 3 -

NEBRASKA JOURNALISM TRUST**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

2024

Years Ended December 31,

2023

Without With Without With

Donor Restrictions Donor Restrictions Total Donor Restrictions Donor Restrictions Total

OPERATING REVENUES AND SUPPORT

Foundation and Trust Grants \$ 1,347,919 \$ 1,109,900 \$ 2,457,819 \$ 867,875 \$ 755,000 \$ 1,622,875 Individual and Business Contributions 1,156,902 438,097
1,594,999 538,863 180,500 719,363 In-Kind Gifts 400 - 400 - - - Special Events - - - 19,750 - 19,750 Miscellaneous 91,083 - 91,083 6,333 - 6,333 Unrealized
Gain on Beneficial Interest in Community Foundation 30,858 - 30,858 - - - Net Assets Released from Restriction 853,713 (853,713) - 493,005 (493,005) -, Total
Operating Revenues and Support 3,480,875 694,284 4,175,159 1,925,826 442,495 2,368,321

OPERATING EXPENSES

Program Services 1,533,762 - 1,533,762 838,287 - 838,287 Management and General 148,014 - 148,014 241,301 - 241,301 Fundraising 431,285 - 431,285
180,459 - 180,459, Total Operating Expenses 2,113,061 - 2,113,061 1,260,047 - 1,260,047

CHANGES IN NET ASSETS 1,367,814 694,284 2,062,098 665,779 442,495 1,108,274 **NET ASSETS - BEGINNING OF YEAR** 2,357,777 1,069,984 3,427,761

1,691,998 627,489 2,319,487 **NET ASSETS - END OF YEAR \$ 3,725,591 \$ 1,764,268 \$ 5,489,859 \$ 2,357,777 \$ 1,069,984 \$ 3,427,761**

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

- 4 -

Nebraska
Flatwater Free
NEBRASKA JOURNALISM TRUST
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024

Program Services Support Services_Silicone Prairie

Documenters
Press Program

News Other Total Program Services

Management

and General Fundraising Total Support Services Total

Salaries and Wages \$ 105,012 \$ 676,541 \$ 211,516 \$ 6,141 \$ 999,210 \$ (842) \$ 201,176 \$ 200,334 \$ 1,199,544 Professional Services 8,920 168,448 24,000
13,721 215,089 20,044 119,225 139,269 354,358 Payroll Taxes and Benefits 13,893 125,945 33,127 1,038 174,003 13,247 28,456 41,703 215,706 Event 37
12,162 33,644 - 45,843 1,026 45,873 46,899 92,742 Travel and Meetings 891 26,781 4,893 39 32,604 6,827 14,388 21,215 53,819 Rent 562 16,100 3,105 56
19,823 28,405 3,275 31,680 51,503 Office Expense 156 4,485 1,418 - 6,059 30,674 12,400 43,074 49,133 Dues and Subscriptions 786 14,519 4,019 85 19,409
26,828 2,236 29,064 48,473 Marketing and Communication - 11,340 1,195 - 12,535 2,279 500 2,779 15,314 Technology 1,546 2,937 1,107 20 5,610 7,671 871
8,542 14,152 Amortization - - - - 9,714 - 9,714 9,714 Insurance 455 2,319 727 45 3,546 1,423 865 2,288 5,834 Postage - 31 - - 31 675 2,020 2,695 2,726
Depreciation - - - - 43 - 43 43 **TOTAL FUNCTIONAL EXPENSES \$ 432,258 \$ 4,061,608 \$ 248,751 \$ 21,146 \$ 1,532,762 \$ 148,014 \$ 431,285 \$ 670,289 \$**
2,113,061

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

Flatwater Free
NEBRASKA JOURNALISM TRUST
STATEMENTS OF FUNCTIONAL EXPENSES (Continued)
For the Year Ended December 31, 2023

Program Services Support Services

Press Program
Silicone Prairie
News Other
Total Program -Services
Management
and General Fundraising
Total Support
Services Total

Salaries and Wages \$ 485,769 \$ 75,504 \$ 11,482 \$ 572,755 \$ 60,428 \$ 48,307 \$ 108,735 \$ 681,490 Professional Services 83,250 1,950 - 85,200
63,709 85,189 148,898 234,098 Payroll Taxes and Benefits 77,880 11,362 2,284 91,526 20,746 8,743 29,489 121,015 Travel and Meetings 35,102
1,034 25 36,161 8,668 2,134 10,802 46,963 Event 2,064 948 - 3,012 8,480 28,544 37,024 40,036 Dues and Subscriptions 13,752 494 59 14,305
16,764 282 17,046 31,351 Rent 9,332 1,196 - 10,528 18,045 1,331 19,376 29,904 Marketing and Communication 12,461 114 - 12,575 6,924 4,281
11,205 23,780 Insurance 5,028 535 535 6,098 7,784 1,604 9,388 15,486 Technology 894 1,281 - 2,175 11,948 - 11,948 14,123 Office Expense
2,954 - - 2,954 7,791 44 7,835 10,789 Amortization - - - 9,714 - 9,714 9,714 Postage 998 - - 998 300 - 300 1,298 **TOTAL FUNCTIONAL**
EXPENSES \$ 729,484 \$ 94,418 \$ 14,385 \$ 838,287 \$ 241,381 \$ 188,459 \$ 421,768 \$ 1,260,047

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

- 6 -

NEBRASKA JOURNALISM TRUST
STATEMENTS OF CASH FLOWS

Years Ended December 31 2024 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Changes in Net Assets \$ 2,062,098 \$ 1,108,274 Adjustments to Reconcile Changes in Net Assets to Net Cash
Provided By Operating Activities
Depreciation 43 - Amortization 9,714 9,714 Amortization of Operating Lease Liability 4,575 - Unrealized Gain on Beneficial
Interest in Community Foundation (30,858) - (Increase) Decrease in Assets:
Prepaid Expenses (8,333) - Security Deposits (5,626) - Contributions and Grants Receivable (749,647) (382,150)
Beneficial Interest in Community Foundation (60,100) 52,073 Increase (Decrease) in Current Liabilities:
Accounts Payable 28,174 (10,840) Accrued Expenses 23,801 35,677 Operating Lease Liability (4,135) - Deferred
Revenue - (250,000) Net Cash Provided By Operating Activities 1,269,706 562,748

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property and Equipment (5,189) - Net Cash Used In Investing Activities (5,189) -

Net Increase in Cash and Cash Equivalents 1,264,517 562,748 **CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR**

SUPPLEMENTAL DISCLOSURE OF NON-CASH FLOW INFORMATION

Right-of-Use Asset Obtained in Exchange for Operating Lease Liability \$ 442,011 \$ -

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

- 7 -

**NEBRASKA JOURNALISM TRUST NOTES
TO FINANCIAL STATEMENTS Years
Ended December 31, 2024 and 2023**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Nebraska Journalism Trust (the Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management who are responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America (U.S. GAAP) and have been consistently applied in the preparation of the financial statements.

Reporting Entity

The Organization was incorporated in April 2021 to establish a path forward for high-quality journalism. Its board established bylaws and adopted policies to ensure journalistic integrity and a commitment to diversity, equity, and inclusion in their work and operational structure. Program activities are carried out through The Flatwater Free Press (FFP), a program of the Organization, which is a go-to source for investigative journalism and deep, meaningful storytelling. The Organization also publishes the Silicone Prairie News, a separate program of the Organization, which is a digital publication focused on business and start-ups. Nebraska Documenters is a new segment which trains and pays citizen journalists to attend under reported meetings of local governments. The Organization's revenues and other support are derived principally from contributions, government, and private entity grants. The Organization is located in Nebraska and principally serves residents of the state.

Basis of Presentation

The Organization maintains its accounts on the accrual basis of accounting.

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restriction – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. 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, and are reported in the statements of activities and changes in net assets as net assets released from restriction.

Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

- 8 -

NEBRASKA JOURNALISM TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
Years Ended December 31, 2024 and 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measure of Operations

In the statements of activities and changes in net assets, the Organization includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make a number of estimates and assumptions that affect certain reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and cash equivalents designated for long-term purposes, or received with donor-imposed restrictions limiting their use to long-term purpose are not considered cash or cash equivalents but are instead reported as restricted cash and cash equivalents.

Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be received in future years are recorded at the present value of their estimated future cash flows if determined to be material. The discounts on those amounts are computed using risk-adjusted

interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in individual and business contributions. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. The receivables are reviewed for collectability and a provision for uncollectible accounts is recorded based on management's judgement and analysis of individual donors, past collection experience and other relevant factors. No allowance for credit losses was deemed necessary at December 31, 2024 or 2023. Contribution and grants receivable at January 1, 2024 and 2023 was \$877,950 and \$495,800, respectively.

- 9 -

NEBRASKA JOURNALISM TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
Years Ended December 31, 2024 and 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are recorded at cost. Expenditures of less than \$2,500 are charged to expenses as incurred. Expenditures over this threshold are capitalized unless the asset's economic useful life is 12 months or less, regardless of the acquisition or production cost. The cost of assets disposed and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Gains or losses from property disposals are recognized in the year of disposal.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Years</u>
Office Equipment 5

Intangible Assets

The Organization's intangible assets primarily consist of a donated digital news platform and website development costs. Intangible assets are recorded at cost upon acquisition and are amortized over their estimated useful lives, which range from 5 to 15 years. The Organization reviews the carrying amount of intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment loss is recognized in the statements of activities and changes in net assets.

Beneficial Interest In Assets Held by Community Foundation

The Organization holds a beneficial interest in an affiliated fund of the Nebraska Community Foundation (the Community Foundation), a tax-exempt public charity created to support various charitable activities in the state of Nebraska. A portion of the fund is invested in the Community Foundation's long-term pool, which is recorded as a quasi-endowment on the Community Foundation's financial statements. The beneficial interest represents the Organization's ownership in the assets held by the Community Foundation. The Organization's interest in the Community Foundation is accounted for as a beneficial interest and is measured at fair value. As of December 31, 2024 and 2023, the fair value of the beneficial interest is \$414,607 and \$323,649, respectively.

Compensated Absences

Employees of the Organization are entitled to certain amounts of paid vacation time. In the event of employee separation, an employee is reimbursed for accumulated vacation time. The Organization's policy is to recognize the cost of the compensated absences when earned by employees.

- 10 -

NEBRASKA JOURNALISM TRUST NOTES TO FINANCIAL STATEMENTS (Continued) Years Ended December 31, 2024 and 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-Kind Contributions and Donated Services

Contributions of donated services or goods, that create or enhance nonfinancial assets or that require specialized skills, are provided by an individual possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. There were \$400 and \$0 of contributions of nonfinancial assets for the year ended December 31, 2024 and 2023.

Revenue Recognition

The Organization recognizes revenue when a customer obtains control of promised good or services, in an amount that reflects the consideration which the Organization expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that the Organization determines are within the scope of Topic 606, the Organization performs the following five steps: (i) identify the contract with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Organization satisfies the performance obligation.

The Organization only applies the five-step model to contracts when it is probable that it will collect the consideration it is entitled to in exchange for the goods and services it transfers to the customer. At contract inception, once the contract is determined to be within scope of Topic 606, the Organization assesses the goods or services promised within each contract and determines those that are performance obligations. The Organization then assesses whether each promised good or service is distinct and recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and right of return – are not recognized until the conditions on which they depend have been met. All support and revenues are considered unrestricted unless stipulated by the donor or grantor. Amounts received that are designated for future periods or restricted by the donor are reported as net assets with donor restrictions.

**MOSAIC COMMUNITY DEVELOPMENT
d/b/a INCOMMON COMMUNITY DEVELOPMENT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2021**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

The Organization is the recipient of state and local government and private grants. Government grants are recorded as revenue when the Organization meets the conditions prescribed by the grant agreement, performs the contracted services, or incurs outlays eligible for reimbursement under the grant agreements. If the funds are for general operations, the revenue is recorded when the grant is awarded. Private grants are considered contributions and are recorded at the time the commitment is received. Grants receivable are stated at the amount by which the program expenditures are yet to be reimbursed or general operations commitments have yet to be received and are included in contributions and grants receivable.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and changes in net assets and statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Certain costs have been allocated among the program, management and general and fundraising categories based on cost assignment, wage allocations and other methods.

Advertising

The Organization expenses advertising costs as they are incurred. Total advertising costs were \$15,314 and \$23,780 for the years ended December 31, 2024 and 2023, respectively, and is included in marketing and communication in the statements of functional expenses.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is not classified as a private foundation. As such, no provision for income taxes is reflected in the financial statements.

The Organization files Form 990, *Return of Organization Exempt from Income Tax*, in the U.S. Federal and state jurisdictions. As of December 31, 2024 and 2023, the Organization has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements, and there are no material amounts of unrecognized tax benefits. Tax years subsequent to 2021 remain subject to examination by major tax jurisdictions.

Subsequent Events

Management has evaluated subsequent events through November 12, 2025, which is the date

- 12 -

NEBRASKA JOURNALISM TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
Years Ended December 31, 2024 and 2023

NOTE B – CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Organization to credit risk consist of cash and cash equivalents and contributions and grants receivable. The Organization maintains its cash and bank deposit accounts in financial institutions that, at times, may exceed federally insured limits. Interest and noninterest bearing accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

As of December 31, 2024 and 2023, deposits exceeded the FDIC insurance limit of \$250,000 by a total of \$1,331,400 and \$418,350, respectively. The Organization has not experienced any losses, and it is the opinion of management that the solvency of the referenced financial institutions is not a concern at this time.

NOTE C – LIQUIDITY AND AVAILABILITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities of program services as well as to support those activities to be general expenditures.

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

2024 2023 Financial Assets at Year-End:

Cash and Cash Equivalents	\$ 3,444,953	\$ 2,180,436	Contributions and Grants Receivable Net
	1,627,597	877,950	Less: Long-Term Contributions and Grants Receivable
			– Not Purpose Restricted - (100,000)
			Less: Donor Restricted Funds (1,764,268) (1,069,984)
Add back: Funds Restricted for Operations/Timing	<u>1,520,000</u>	<u>733,000</u>	Financial Assets Available to Meet
General Expenditures			
			Over the Next Twelve Months <u>\$ 4,828,282</u> <u>\$ 2,621,402</u>

- 13 -

NEBRASKA JOURNALISM TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
Years Ended December 31, 2024 and 2023

NOTE D – CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable consists of amounts which are due from one to two years. Contributions receivable were discounted using the rates of 4.25 - 4.27% in 2024. The discount rate was 0% for multi-year grants and contributions for 2023. Contributions and grants receivable are due in the following periods.

	<u>2024</u>	<u>2023</u>
Due within one year	\$ 1,098,355	\$ 727,920
Due after one year through five years	<u>560,000</u>	<u>150,030</u>
	1,658,355	877,950
Less: Discount for time value of money (<u>30,758</u>) -		
Contributions receivable, net	<u>\$ 1,627,597</u>	<u>\$ 877,950</u>

No allowance for uncollectible contributions and grants receivable was recorded for 2024 or 2023 as all amounts were expected to be received.

NOTE E – INTANGIBLE ASSETS

The following table presents the details of intangible assets as of December 31, 2024:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Carrying Amount</u>
Digital News Platform	\$ 100,000	\$ (13,333)	\$ 86,667
Website Costs	<u>15,237</u>		
(9,142) 6,095			
Total	<u>\$ 115,237</u>	<u>\$ (22,475)</u>	<u>\$ 92,762</u>

The following table presents the details of intangible assets as of December 31, 2023:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Carrying Amount</u>
Digital News Platform	\$ 100,000	\$ (6,667)	\$ 93,333
Website Costs	<u>15,237</u>		<u>15,237</u>
9,143			(6,094)
Total	<u>\$ 115,237</u>	<u>\$ (12,761)</u>	<u>\$ 102,476</u>

- 14 -

NEBRASKA JOURNALISM TRUST NOTES TO FINANCIAL STATEMENTS (Continued) Years Ended December 31, 2024 and 2023

NOTE E – INTANGIBLE ASSETS (Continued)

Amortization expense for the next five years ended December 31, are expected as follows:

Digital News

<u>Years Ending December 31,</u>	<u>Platform</u>	<u>Website</u>	<u>Total</u>
2025	\$ 6,667	\$ 3,047	\$ 9,714
2026	6,667	3,048	9,715
2027	6,667	-	6,667
2028	6,667	-	6,667
2029	6,667	-	6,667

NOTE F – FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below.

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 - Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

- 15 -

NEBRASKA JOURNALISM TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
Years Ended December 31, 2024 and 2023

NOTE F – FAIR VALUE MEASUREMENTS (Continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024.

Beneficial interest in assets held by community foundation: Valued at fair value which is estimated as the fair value of the underlying community foundation assets.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables sets forth by level, within the fair value hierarchy, assets at fair value as of December 31, 2024 and 2023:

Assets at Fair Value as of December 31, 2024

<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	
				Beneficial interests in assets
				held by community foundation \$ - \$ - \$ 414,607 \$ 414,607
				Total Assets at Fair Value \$ - \$ - \$ 414,607
				<u>\$ 414,607</u>

Assets at Fair Value as of December 31, 2023

<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	
				Beneficial interests in assets
				held by community foundation \$ - \$ - \$ 323,649 \$ 323,649
				Total Assets at Fair Value \$ - \$ - \$ 323,649
				<u>\$ 323,649</u>

The following table sets forth a summary of changes in the fair value of the Organization's level 3 assets for the years ended December 31,:

2024 2023

Balance, beginning of year	\$ 323,649	\$ 375,722
Contributions	95,972	48,741
Withdrawals	<u>(5,014)</u>	<u>(100,814)</u>
Balance, end of year	<u>\$ 414,607</u>	<u>\$ 323,649</u>

- 16 -

NEBRASKA JOURNALISM TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
Years Ended December 31, 2024 and 2023

NOTE G – NET ASSETS

The following table shows the Organization's net assets with donor restrictions and net assets without donor restrictions, as well as, details the nature of the donor restriction.

Net assets with donor restriction at December 31, are available for the following uses:

<u>2024</u> <u>2023</u>	Subject to the passage of time:	\$ 1,520,000	\$ 733,000	Subject to expenditure for specified purpose:
	Reporting Positions and FFP	244,268	207,249	Silicone Prairie News -
	Initiatives -	<u>30,000</u>		Other
	Total net assets with donor restrictions	<u>\$ 1,764,268</u>	<u>\$ 1,069,984</u>	

Assets released from restriction for the years ended December 31, are as follows:

<u>2024</u> <u>2023</u>	Satisfaction of purpose restriction/expenses	\$ 127,242	\$ 51,355	Passage of time
		<u>726,471</u>	<u>441,650</u>	
	Total net assets with donor restrictions released from restrictions			<u>\$ 853,713</u> <u>\$ 493,005</u>

NOTE H – OPERATING LEASES

The Organization made an accounting policy election available under the FASB ASC Topic 842, *Leases*, not to recognize Right-of-Use (ROU) assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based

on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Organization made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate where the implicit rate is not readily determinable, which is aligned with the lease term at the lease commencement date.

The Organization leases space under an operating lease agreement that commences in December 2024 and has an initial term of 7 years with a maturity date anticipated in November 2031. The lease includes one option to renew, at the Organization's sole discretion, with renewal terms that can extend the lease term for 5 years. In addition, the lease contains a termination option, where the rights to terminate are held by either the Organization, the lessor or both parties. These options to extend or terminate a lease are included in the lease terms when it is reasonably certain that the Organization will exercise that option. The Organization's operating lease does not contain any material restrictive covenants or residual value guarantees.

- 17 -

NEBRASKA JOURNALISM TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
Years Ended December 31, 2024 and 2023

NOTE H – OPERATING LEASES (Continued)

The Organization also leased space under a month to month agreement with a payment of \$3,570 due monthly for the years ended December 31, 2024 and 2023.

Operating lease cost is recognized on a straight-line basis over the lease term. The components of lease expense are as follows for the years ended December 31:

2024 2023

Operating lease cost \$ 5,626 \$ -
Short-term lease cost 45,877 29,904
Total lease cost \$ 51,503 \$ 29,904

Supplemental information related to leases is as follows for the year ended December 31, 2024:

2024 2023

Cash paid for amounts included in measurement of lease liabilities:

Operating cash outflows – payments on operating leases \$ 5,626 \$ - Right-of-use assets obtained in exchange for new lease obligations:

Operating leases 442,011 - Weighted-average remaining lease term- operating 6.92 years -
Weighted-average discount rate - operating 4.10% 0%

Future undiscounted cash flows for each of the next five years and thereafter and a reconciliation to the lease liabilities recognized on the statement of financial position are as follows as of December 31, 2024:

Years Ending December 31, Operating Leases

2025 \$ 67,650
2026 69,350
2027 71,083
2028 72,855
2029 74,690
Thereafter 148,283
Total Lease Payments 503,911

Less imputed interest (66,035)

Total present value of lease liabilities \$ 437,876

- 18 -

NEBRASKA JOURNALISM TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
Years Ended December 31, 2024 and 2023

NOTE I – RETIREMENT PLAN

The Organization has a retirement plan covering substantially all employees. The Organization will match 100% of employees' contributions to a 401(k), up to the first 3% of that employee's compensation. Contributions to the plan were approximately \$24,622 and \$15,469 for the years ended December 31, 2024 and 2023, respectively.

NOTE J – CONCENTRATIONS OF MAJOR DONORS

The Organization received a substantial portion of its support for the year ended December 31, 2024 from three major donors who accounted for 37% of total Individual and Business Contributions, and Foundation and Trust Grants. Two of the donors were 31% of the total Individual and Business Contributions, the third donor was 41% of the total Foundation and Trust Grants.

The Organization received a substantial portion of its support for the year ended December 31, 2023 from one major donor who accounted for 46% of total Individual and Business Contributions, and Foundation and Trust Grants. Additionally, the major donor was 68% of total contributions and grants receivable at December 31, 2023.

