

**WXPB-FM RADIO STATION
LICENSED TO THE TRUSTEES
OF THE UNIVERSITY OF
PENNSYLVANIA**

Financial Statements

June 30, 2019 and 2018

**Kreischer
Miller**

PEOPLE | IDEAS | SOLUTIONS

WXPN-FM RADIO STATION
LICENSED TO THE TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA
June 30, 2019 and 2018

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INDEPENDENT AUDITORS' REPORT

FINANCIAL STATEMENTS

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Independent Auditors' Report

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

We have audited the accompanying financial statements of WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania, which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year 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.

Auditors' 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 auditors' 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 auditors consider 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 WXPB-FM Radio Station, Licensed to the Trustees of the University of Pennsylvania, as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of WXPB-FM Radio Station Licensed to the Trustees of the University of Pennsylvania, for the year ended June 30, 2018, were audited by another auditor who expressed an unmodified opinion on those statements on November 5, 2018.

A handwritten signature in black ink that reads "Kreischer Miller". The signature is written in a cursive style with a large, prominent "K" and "M".

Horsham, Pennsylvania
November 22, 2019

WXPB-FM RADIO STATION
 LICENSED TO THE TRUSTEES OF
 THE UNIVERSITY OF PENNSYLVANIA
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2019 AND 2018

	2019	2018
Assets		
Current Assets		
Cash and cash equivalents held by the University of Pennsylvania	\$ 2,695,267	\$ 2,671,110
Memberships receivable, net	39,386	12,765
Contributions receivable, net	172,211	379,178
Grants receivable	20,000	198,000
Underwriting receivables, net	318,555	373,723
Other accounts receivable, net	114,828	30,333
Prepaid expenses	12,272	28,266
Total Current Assets	3,372,519	3,693,375
Other Assets		
Contributions receivable, net	101,023	188,053
Land	89,095	89,095
Equipment, net of accumulated depreciation	759,322	856,867
Leasehold improvements, net of accumulated amortization	77,325	262,880
Intangibles	4,686,047	4,686,047
Total Other Assets	5,712,812	6,082,942
Total Assets	\$ 9,085,331	\$ 9,776,317
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 427,706	\$ 410,675
Deferred rent	14,165	56,665
Note payable	100,000	100,000
Promotional underwriting liability	52,000	50,000
Deferred revenue	154,088	227,596
Total Current Liabilities	747,959	844,936
Other Liabilities		
Deferred rent	-	14,167
Note payable	200,000	300,000
Promotional underwriting liability	300,000	350,000
Total Other Liabilities	500,000	664,167
Total Liabilities	1,247,959	1,509,103
Net Assets		
Without donor restrictions	7,323,569	7,235,521
With donor restrictions	513,803	1,031,693
Total Net Assets	7,837,372	8,267,214
Total Liabilities and Net Assets	\$ 9,085,331	\$ 9,776,317

See accompanying notes to the financial statements

WXPB-FM RADIO STATION
 LICENSED TO THE TRUSTEES OF
 THE UNIVERSITY OF PENNSYLVANIA
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Memberships and contributions	\$ 4,535,322	\$ 12,500	\$ 4,547,822
Underwriting	2,980,041	-	2,980,041
Indirect support from the University of Pennsylvania	601,438	-	601,438
Grants	166,397	296,796	463,193
Direct support from the University of Pennsylvania	23,676	-	23,676
Other revenue	905,948	-	905,948
Gifts and in-kind contributions	98,181	-	98,181
Net assets released from restrictions			
Satisfaction of program restrictions	536,540	(536,540)	-
Expiration of time restrictions	290,646	(290,646)	-
Total Support and Revenue	10,138,189	(517,890)	9,620,299
Operating Expenses			
Program services:			
Programming and production	3,991,231	-	3,991,231
Program information	1,700,755	-	1,700,755
Broadcasting	716,366	-	716,366
Total Program Services	6,408,352	-	6,408,352
Support services:			
Membership, underwriting and grant solicitation	2,528,712	-	2,528,712
General and administrative	1,113,077	-	1,113,077
Total Support Services	3,641,789	-	3,641,789
Total Program and Support Services	10,050,141	-	10,050,141
Changes in Net Assets	88,048	(517,890)	(429,842)
Net Assets, beginning of year	7,235,521	1,031,693	8,267,214
Net Assets, end of year	\$ 7,323,569	\$ 513,803	\$ 7,837,372

See accompanying notes to the financial statements

WXPB-FM RADIO STATION
 LICENSED TO THE TRUSTEES OF
 THE UNIVERSITY OF PENNSYLVANIA
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Memberships and contributions	\$ 4,302,563	\$ 3,333	\$ 4,305,896
Underwriting	2,859,474	-	2,859,474
Indirect support from the University of Pennsylvania	573,378	-	573,378
Grants	346,404	443,000	789,404
Direct support from the University of Pennsylvania	27,327	-	27,327
Other revenue	829,143	-	829,143
Other gifts and in-kind contributions	93,755	-	93,755
Net assets released from restrictions			-
Satisfaction of program restriction	466,170	(466,170)	-
Expiration of time restrictions	374,984	(374,984)	-
Total Support and Revenue	9,873,198	(394,821)	9,478,377
Operating Expenses			
Program services:			
Programming and production	3,978,580	-	3,978,580
Program information	1,750,807	-	1,750,807
Broadcasting	551,331	-	551,331
Total Program Services	6,280,718	-	6,280,718
Support services:			
Membership, underwriting and grant solicitation	2,393,923	-	2,393,923
General and administrative	1,315,977	-	1,315,977
Total Support Services	3,709,900	-	3,709,900
Total Program and Support Services	9,990,618	-	9,990,618
Changes in Net Assets	(117,420)	(394,821)	(512,241)
Net Assets, beginning of year	7,352,941	1,426,514	8,779,455
Net Assets, end of year	\$ 7,235,521	\$ 1,031,693	\$ 8,267,214

See accompanying notes to the financial statements

WXPB-FM RADIO STATION
 LICENSED TO THE TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA
 CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JUNE 30, 2019 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2018

	Program Services					Total Expenses FY19	Total Expenses FY18	
	Programming and Production	Program Information	Broadcasting	Total Program Services	Membership, Underwriting and Grant Solicitation			General and Administrative
Salaries	\$ 1,598,364	\$ 614,973	\$ 153,971	\$ 2,367,308	\$ 1,255,794	\$ 702,492	\$ 4,325,594	\$ 4,136,633
Employee benefits	495,128	189,574	50,473	735,175	409,755	230,119	1,375,049	1,338,345
Total salaries and benefits	2,093,492	804,547	204,444	3,102,483	1,665,549	932,611	5,700,643	5,474,978
Travel	75,051	35,587	7,545	118,183	37,636	20,579	176,398	194,570
Supplies	99,157	324,886	101,325	525,368	56,230	22,826	604,424	600,835
Rentals	362,224	43,906	180,240	586,370	65,859	49,394	701,623	696,254
Communication	47,037	83,166	17,237	147,440	151,257	6,227	304,924	278,055
Services	450,278	280,276	21,785	752,339	341,585	2,815	1,096,739	1,176,199
Operations	179,642	21,775	32,267	233,683	32,662	24,497	290,842	259,193
Cost of direct benefit to donors (premiums)	-	-	-	-	79,455	-	79,455	102,735
Amortization	185,555	-	-	185,555	-	-	185,555	278,939
Depreciation	-	-	121,450	121,450	10,252	-	131,702	162,429
In-Kind	498,795	106,613	30,072	635,480	88,229	54,128	777,837	766,431
Total program and support	\$ 3,991,231	\$ 1,700,755	\$ 716,366	\$ 6,408,352	\$ 2,528,713	\$ 1,113,076	\$ 10,050,141	\$ 9,990,618

See accompanying notes to the financial statements

**WXPB-FM RADIO STATION
 LICENSED TO THE TRUSTEES OF
 THE UNIVERSITY OF PENNSYLVANIA
 STATEMENTS OF CASH FLOWS
 JUNE 30, 2019 AND 2018**

	2019	2018
Cash Flows from Operating Activities		
Changes in net assets	\$ (429,842)	\$ (512,241)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	317,257	441,368
Bad debts	(1,891)	72,599
Present value discount	(13,703)	(49,342)
Changes in:		
Memberships receivable	(35,453)	15,386
Contributions receivable	320,358	402,192
Grants receivable	178,000	(15,734)
Underwriting receivables	53,837	(116,069)
Other accounts receivable, net	(85,097)	2,755
Prepaid expenses	15,994	38,473
Accounts payable and accrued expenses	17,031	(108,269)
Deferred rent	(56,667)	(56,667)
Deferred revenue	(73,508)	12,316
Net cash provided by operating activities	206,316	126,767
Cash Flows from Investing Activities		
Net (increase) decrease in cash and cash equivalents held by the University of Pennsylvania	(24,159)	256,072
Purchases of equipment	(34,157)	(232,839)
Net cash utilized by investing activities	(58,316)	23,233
Cash Flows from Financing Activities		
Promotional underwriting	(48,000)	(50,000)
Repayments under note payable	(100,000)	(100,000)
Net cash utilized by financing activities	(148,000)	(150,000)
Cash, beginning of year	-	-
Cash, end of year	\$ -	\$ -

See accompanying notes to the financial statements

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

Notes to Financial Statements
June 30, 2019

1. Nature of Activities and Summary of Significant Accounting Policies

Organization

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

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

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

Basis of Accounting

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

Financial Statement Presentation

WXPN is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

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

Use of Estimates

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

WXPB-FM RADIO STATION
Licensed to the Trustees of the
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Notes to Financial Statements
June 30, 2019

Cash and Cash Equivalents Held by the University of Pennsylvania

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

Memberships and Contributions

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

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

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

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

Underwriting

Underwriting represents revenues from corporate sponsors that provide support in exchange for brief on-air acknowledgements.

Allowances for Doubtful Accounts

WXPB continually monitors receivables for collectability issues. An allowance for doubtful accounts for the respective receivable category is based on management's judgment and is established based on prior collection history and other pertinent factors.

WXPN-FM RADIO STATION
Licensed to the Trustees of the
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Notes to Financial Statements
June 30, 2019

Land and Equipment

Land and equipment are recorded at cost or, in the case of donated property, at its estimated fair value at the date of receipt. Depreciation on equipment is calculated on a straight-line basis over the estimated useful lives of 3 to 15 years. At the time equipment is retired or disposed of, the cost and related accumulated depreciation is removed from the accounts, and any gain or loss on disposition is credited or charged to operations.

Repairs and maintenance costs are expensed as incurred.

Depreciation expense was \$131,702 and \$162,429 for the fiscal years ended June 30, 2019 and 2018, respectively. Accumulated depreciation was \$1,639,612 and \$1,507,910 as of June 30, 2019 and 2018, respectively.

Leasehold Improvements

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

Amortization expense was \$185,555 and \$278,939 for the fiscal years ended June 30, 2019 and 2018, respectively. Accumulated amortization was \$3,299,820 and \$3,114,265 as of June 30, 2019 and 2018, respectively.

Intangible Assets

Intangible assets consist of Federal Communications Commission (FCC) licenses for both WXPB and WXPJ. These assets have been classified as indefinite-lived intangibles. Such intangible assets are not amortized but instead are subject to annual impairment tests. WXPB evaluates the recoverability of its intangibles using methodologies as prescribed by GAAP. There were no indications of impairment on these assets as of June 30, 2019 and 2018.

Deferred Rent

WXPB recognizes rent expense on a straight-line basis over the lease term. Deferred rent represents the excess of rent expense incurred over annual cash payments.

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

Notes to Financial Statements
June 30, 2019

Deferred Revenue

Underwriting payments received in advance for on-air acknowledgements are recorded as deferred revenue.

Other Gifts and In-Kind Contributions

WXPN utilizes donated programs and other items for its program activities. Accordingly, the in-kind contributions and related expenses are reflected in the accompanying financial statements at the estimated fair market value.

Direct and Indirect Support from the University of Pennsylvania

Direct support from the University of Pennsylvania consists primarily of expenses incurred by the University of Pennsylvania on behalf of WXPN and is recorded as support and expense at cost to the University. A portion of direct support represents reimbursement of costs incurred by WXPN for services provided to the University. Total direct support received from the University of Pennsylvania was \$23,676 and \$27,327 for the years ended June 30, 2019 and 2018, respectively.

Indirect support from the University of Pennsylvania consists of WXPN's allocated portion of institutional support and physical plant operations and is recorded as revenue and expense at estimated fair value based upon percentage allocations within the guidelines prescribed by the Corporation for Public Broadcasting. Total indirect support received from the University of Pennsylvania was \$601,438 and \$573,378 for the years ended June 30, 2019 and 2018, respectively.

Income Taxes

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

For the years ended June 30, 2019 and 2018, WXPN did not identify any uncertain tax positions taken or expected to be taken, which would require adjustment to or disclosure in the financial statements.

The University of Pennsylvania files informational returns with the Internal Revenue Service that include the activities of WXPN as a department of the University. The University is potentially subject to federal, state, and local examinations for years subsequent to June 30, 2015.

WXPN-FM RADIO STATION
Licensed to the Trustees of the
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Notes to Financial Statements
June 30, 2019

Functional Allocation of Expenses

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

Accounting Pronouncement Adopted

In 2019, WXPN implemented the requirements of Financial Accounting Standard Board's ("FASB") Accounting Standards Update ("ASU") 2016-14 - *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* ("ASU 2016-14"). ASU 2016-14 requires certain changes to the presentation of financial statements of not-for-profit entities and additional disclosures. There was no material impact on WXPN's reported total assets, liabilities, net assets or change in net assets upon adoption of the new standard. ASU 2016-14 has been applied retrospectively to all periods presented. In accordance with the option provided by ASU 2016-14, WXPN has elected not to present a statement of functional expenses for 2018.

Recent Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*. The standard provides entities with a single model for use in accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance, including industry-specific revenue guidance. The core principle of the model is to recognize revenue when control of the goods or services transfers to the customer, as opposed to recognizing revenue when the risks and rewards transfer to the customer under the existing revenue guidance.

On June 21, 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU provides guidance to not-for-profit entities as they adopt ASU 2014-09, *Revenue from Contracts with Customers*, specifically as it relates to grants and contracts. The new guidance applies to all entities that receive or make contributions effective for WXPN's year ending June 30, 2020. WXPN is currently evaluating the potential impact of adopting these standards.

Subsequent Events

Subsequent events have been evaluated through November 22, 2019, the date that the financial statements were available to be issued.

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

Notes to Financial Statements
June 30, 2019

2. Liquidity and Availability

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

	2019	2018
Cash and cash equivalents held by the University of Pennsylvania	\$ 2,695,267	\$ 2,671,110
Membership receivable, net	39,386	12,765
Contributions receivable, net	273,234	567,231
Grants receivable	20,000	198,000
Underwriting receivables, net	318,555	373,723
Other accounts receivable, net	114,828	30,333
	3,461,270	3,853,162
Contractual or donor-imposed restrictions	(513,803)	(1,031,693)
Financial assets available to meet cash needs for general expenditure within one year	\$ 2,947,467	\$ 2,821,469

3. Concentrations of Risks

Cash and Cash Equivalents Held by the University of Pennsylvania

Since funds are held by the University of Pennsylvania, management of WXPN is unaware of how funds are invested and is unable to determine the extent of significant credit risk to which WXPN may be exposed.

4. Contributions Receivable

WXPN receives unconditional promises to give to fund programming and community outreach, building expansion, and technology and strategic investments. These receivables have payments due through 2023. The Campaign for the Music receivables have been discounted at an implicit rate of interest of 1.89%. The Special Funds receivables have been discounted at implicit rates of interest between 1.72% and 2.52%.

WXPN-FM RADIO STATION
Licensed to the Trustees of the
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Notes to Financial Statements
June 30, 2019

4. Contributions Receivable, Continued

The amount due from all donors consists of the following:

Year Ended June 30,		
2020	\$	175,725
2021		34,167
2022		32,500
2023		72,500
<hr/>		
Total contributions receivable		314,892
Less: discount to net present value		(12,935)
Less: allowance for uncollectible amounts		(28,723)
<hr/>		
Net contributions receivable		273,234
Less: current portion, net of allowance and discount		172,211
<hr/>		
Non-current portion, net of allowance and discount	\$	101,023

5. Promotional Underwriting Liability

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

	2019	2018
Current	\$ 52,000	\$ 50,000
Long Term	300,000	350,000
<hr/>		
Total	\$ 352,000	\$ 400,000

WXPB-FM RADIO STATION
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Notes to Financial Statements
June 30, 2019

6. Note Payable

During 2016, WXPB signed a note payable to the University of Pennsylvania in the amount of \$500,000. The note is payable in five annual installments in the amount of \$100,000 per year, including interest at 2.5%, through maturity in July 2021.

	2019	2018
Current	\$ 100,000	\$ 100,000
Long Term	200,000	300,000
Total	\$ 300,000	\$ 400,000

Principal maturities of the note payable for each of the years subsequent to June 30, 2019 are as follows:

<i>Year Ending June 30,</i>		
2020	\$	100,000
2021	\$	100,000
2022	\$	100,000

7. Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30, 2019 and 2018 were donor restricted for the following purposes:

	2019	2018
Special programming (purpose restriction)	\$ 183,132	\$ 687,372
General operations (time restriction)	330,671	344,321
Total	\$ 513,803	\$ 1,031,693

WXPB-FM RADIO STATION
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Notes to Financial Statements
June 30, 2019

8. Direct Support from the University of Pennsylvania

Direct support from the University of Pennsylvania for the years ended June 30, 2019 and 2018 consisted of the following:

	2019	2018
Work Study Department	\$ 8,404	\$ 8,241
Athletic Department	3,500	7,700
Central Gifts Department	11,772	11,386
Total	\$ 23,676	\$ 27,327

9. Other Revenue

Other revenue for the years ended June 30, 2019 and 2018, consisted of the following:

	2019	2018
NPR affiliate fees	\$ 366,977	\$ 332,500
XPHD affiliate fees	17,607	18,990
Retail sales	27,258	20,957
XPNennial Music Festival	214,939	217,164
Admin revenue	10,797	7,989
Subsidiary Communications Authorizations (SCA) leases	20,400	20,400
World Café Licensing (Name) fee	19,800	19,800
AAA-NON COMM	94,075	84,950
KindieComm	-	9,743
Musicians on Call 5K Run	76,580	72,205
Other	57,515	24,445
Total	\$ 905,948	\$ 829,143

10. Retirement Plan

The University of Pennsylvania provides retirement benefits for WXPB employees through a defined contribution plan. The University's policy with respect to its contribution is to provide up to 9% of eligible employee salaries. The University's contribution amounted to \$295,487 and \$266,550 during fiscal years 2019 and 2018, respectively. These amounts are reflected in WXPB's operating expenses.

WXPN-FM RADIO STATION
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Notes to Financial Statements
June 30, 2019

11. Commitments

Operating Lease

WXPN leases office space at the Hajoca Building located at 3025 Walnut Street, Philadelphia. This lease expired in September 2019. Rental expense was \$525,000 for the years ended June 30, 2019 and 2018.

The Facilities and Real Estate Services of the University of Pennsylvania is negotiating the new lease agreement.

Proof of Delivery

I hereby certify that on Wednesday, September 02, 2020, I provided a true and correct copy of the WXPB-FM Consolidated Financial Statements (2018 - 2019) to the following:

National Association of Broadcasters, represented by Sarang V Damle, served via ESERVICE at sy.damle@lw.com

American Association of Independent Music ("A2IM"), The, represented by David A. Handzo, served via ESERVICE at dhandzo@jenner.com

Educational Media Foundation, represented by David Oxenford, served via ESERVICE at doxenford@wbklaw.com

Warner Music Group Corp., represented by David A. Handzo, served via ESERVICE at dhandzo@jenner.com

Jagjaguwar Inc., represented by David A. Handzo, served via ESERVICE at dhandzo@jenner.com

SoundExchange, Inc., represented by David A. Handzo, served via ESERVICE at dhandzo@jenner.com

UMG Recordings, Inc., represented by David A. Handzo, served via ESERVICE at dhandzo@jenner.com

Pandora Media, LLC, represented by Benjamin E. Marks, served via ESERVICE at benjamin.marks@weil.com

Google Inc., represented by Kenneth L Steinthal, served via ESERVICE at ksteinthal@kslaw.com

SAG-AFTRA, represented by David A. Handzo, served via ESERVICE at dhandzo@jenner.com

American Federation of Musicians of the United States and Canada, The, represented by David A. Handzo, served via ESERVICE at dhandzo@jenner.com

Sony Music Entertainment, represented by David A. Handzo, served via ESERVICE at dhandzo@jenner.com

Sirius XM Radio Inc., represented by Benjamin E. Marks, served via ESERVICE at benjamin.marks@weil.com

Signed: /s/ Elizabeth E Craig