New Bedford Light, Inc.

Financial Statements

Years Ended December 31, 2024 and 2023

Contents

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Independent Auditors' Report

To the Board of Directors
of New Bedford Light, Inc.

Opinion

We have audited the accompanying financial statements of New Bedford Light, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Bedford Light, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

King McNamara Moriarty LLP

November 13, 2025

New Bedford Light, Inc.

Statements of Financial Position
December 31, 2024 and 2023

Assets	2024	2023
Current assets		
Cash	$ 772,179	$ 994,472
Grants receivable and other promises to give	381,869	279,254
Investments	338,852	216,239
Other current assets	2,431	2,289
Employee Retention Credit receivable	35,000	35,000
Interest receivable	8,905	-
Total current assets	1,539,236	1,527,254
Grants receivable and other promises to give, less current portion	290,000	100,000
Equipment and leasehold improvements, net of accumulated depreciation	8,519	12,015
Total assets	$ 1,837,755	$ 1,639,269
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	$ 58,451	$ 50,318
Total current liabilities	58,451	50,318
Total liabilities	58,451	50,318
Net assets		
Without donor restrictions	1,072,492	1,161,024
With donor restrictions	706,812	427,927
Total net assets	1,779,304	1,588,951
Total liabilities and net assets	$ 1,837,755	$ 1,639,269

New Bedford Light, Inc.

Statements of Activities
Years Ended December 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support, revenues, and gains						
Contributions	$ 1,072,880	$ 852,160	$ 1,925,040	$ 1,106,796	$ 720,525	$ 1,827,321
Special event	31,715	-	31,715	26,017	-	26,017
Interest and dividends	16,972	-	16,972	6,815	-	6,815
Gains on investments	14,442	-	14,442	10,085	-	10,085
Other income	7,404	-	7,404	-	-	-
Contributions of nonfinancial assets	5,900	-	5,900	111,292	-	111,292
Employee Retention Credit	-	-	-	35,000	-	35,000
Net assets released from restrictions	573,275	(573,275)	-	591,528	(591,528)	-
Total support, revenues, and gains	1,722,588	278,885	2,001,473	1,887,533	128,997	2,016,530
Expenses						
Program services	1,201,697	-	1,201,697	1,160,168	-	1,160,168
Management and general	609,423	-	609,423	521,924	-	521,924
Total expenses	1,811,120	-	1,811,120	1,682,092	-	1,682,092
Change in net assets	(88,532)	278,885	190,353	205,441	128,997	334,438
Net assets, beginning of year	1,161,024	427,927	1,588,951	955,583	298,930	1,254,513
Net assets, end of year	$ 1,072,492	$ 706,812	$ 1,779,304	$ 1,161,024	$ 427,927	$ 1,588,951

See Notes to Financial Statements.

New Bedford Light, Inc.

Statements of Functional Expenses
Years Ended December 31, 2024 and 2023

	2024			2023		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and wages	$ 855,988	$ 399,279	$ 1,255,267	$ 766,671	$ 222,888	$ 989,559
Employee benefits	85,422	35,961	121,383	46,485	14,409	60,894
Payroll taxes	68,576	31,987	100,563	60,422	17,900	78,322
Contract labor	78,537	16,887	95,424	165,613	111,648	277,261
Advertising and marketing	10,610	30,195	40,805	-	36,633	36,633
Office expenses	29,017	11,224	40,241	12,585	24,198	36,783
Information technology	28,500	10,194	38,694	26,475	14,296	40,771
Professional services	5,410	25,905	31,315	-	25,670	25,670
Events	4,188	19,598	23,786	-	19,517	19,517
Payroll processing and bank fees	8,418	9,096	17,514		11,188	11,188
Occupancy	9,100	3,900	13,000	9,101	3,901	13,002
Insurance	-	11,318	11,318	-	11,469	11,469
Grant expense - fiscal sponsorship	9,615	-	9,615	62,735	-	62,735
Travel, meals, and entertainment	4,569	2,131	6,700	-	3,887	3,887
Depreciation	3,747	1,748	5,495	10,081	4,320	14,401
Total expenses	$ 1,201,697	$ 609,423	$ 1,811,120	$ 1,160,168	$ 521,924	$ 1,682,092

New Bedford Light, Inc.

Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Change in net assets	$ 190,353	$ 334,438
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Contributions of investments	(36,428)	(17,038)
Gains on investments	(14,442)	(10,085)
Depreciation	5,495	14,401
Operating lease expense	-	8,982
(Increase) decrease in:		
Grants receivable and other promises to give	(392,618)	(246,657)
Other current assets	(142)	(1,289)
Employee Retention Credit receivable	-	(35,000)
Interest receivable	(8,905)	-
Increase (decrease) in:		
Accounts payable and accrued expenses	8,133	10,817
Operating lease liability	-	(7,982)
Net cash provided by (used in) operating activities	(248,554)	50,587
Cash flows from investing activities		
Purchases of investments	(443,840)	(407,995)
Proceeds from sales of investments	472,100	526,325
Purchases of equipment and leasehold improvements	(1,999)	(8,102)
Net cash provided by investing activities	26,261	110,228
Increase (decrease) in cash	(222,293)	160,815
Cash, beginning of year	994,472	833,657
Cash, end of year	$ 772,179	$ 994,472
Supplemental schedule of noncash operating and investing activities:		
Decrease in promise to give by receipt of investment	$ 100,003	$ 109,403

See Notes to Financial Statements.

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of operations: New Bedford Light, Inc. (the "Organization") was organized in Massachusetts in October 2020 and is a free, nonprofit, nonpartisan digital news outlet dedicated to community-based coverage of important local issues – health and safety, education, environment, economy, arts and culture, government and politics, and social justice. The Organization seeks to inform and nourish the civic culture of New Bedford and surrounding towns by providing in-depth, fact-based journalism and a broad platform for diverse community voices. It is primarily supported by contributions.

Basis of accounting: The Organization's policy is to prepare its financial statements under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Grants receivable and other promises to give: Grants receivable and other unconditional promises to give are initially recorded at the fair value of the cash expected to be received. They are classified as current if they are scheduled for payment in the upcoming year and noncurrent if the expected payment is subsequent to the upcoming year. An allowance for uncollectible receivables is recorded if (a) it is probable the Organization will be unable to collect all of the amounts promised and (b) the amount of the loss can be reasonably estimated. Management has determined that an allowance for uncollectible promises was not necessary at December 31, 2024 and 2023. The grants receivable and other promises to give as of December 31, 2024, are due $381,869 in 2025 and $290,000 over the following three years.

Investments: The Organization reports investments in equity and debt securities with readily determinable fair values at their fair values in the statements of financial position. Donated investments are recorded as contributions or decreases in promises to give at their fair values at the date of donation. Gains on investments and interest and dividend income are included in support, revenues, and gains without donor restrictions in the accompanying statements of activities.

Fair value measurements: The Organization discloses the fair value of investments in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurement*. The framework under ASC 820 provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy under ASC 820 are described as follows:

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.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Fair value measurements (continued):

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

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

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 and 2023.

Equity and debt securities – Listed equity and debt securities are valued at quoted prices from active markets and are classified as Level 1.

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

Risks and uncertainties: The Organization maintains investments in equity and debt securities, which are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the value of these investments will occur in the near term.

Employee Retention Credit: The Employee Retention Credit (ERC) is a refundable tax credit for certain eligible businesses and tax-exempt organizations that had employees and were affected during the COVID-19 pandemic. The requirements are different depending on the time period for which the credit is claimed. In accordance with FASB ASC 958-605, *Not-for-Profit Entities—Revenue Recognition*, the ERC is a conditional contribution. Revenue is recognized and recorded when the barriers for entitlement are overcome. Interest income related to the ERC receivable in the amount of $8,905 was recorded in 2024 and is included in interest receivable as of December 31, 2024.

Equipment and leasehold improvements: Items capitalized as equipment and leasehold improvements are stated at cost, if purchased, or fair value, if donated. Additions are capitalized if the cost, if purchased, or fair value, if donated, exceeds $1,000. Maintenance and routine repairs are charged to operations when incurred while betterments and renewals which exceed $1,000 are capitalized. Depreciation is computed using the straight-line method, calculated to amortize the cost of the assets over their estimated useful lives. Leasehold improvements are amortized over the shorter of the estimated useful life or the remaining lease term. Upon disposal of depreciable property, the appropriate equipment and leasehold improvements accounts are reduced by the related cost and accumulated depreciation. The resulting gains or losses are reflected in the statements of activities.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Leases: Leases are categorized at their inception as either operating or financing leases. Lease agreements include the Organization's office space. If applicable, operating leases are included as right-of-use assets and lease liabilities on the statements of financial position. Leased assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating right-of-use assets and liabilities are recognized at commencement date based on the present value of the lease payments over the lease term. The Organization has elected to use a risk-free rate of return as the discount rate for each lease. Lease expense for minimum lease payments is recognized on a straight-line basis over the term of the lease. The Organization has elected to apply the short-term lease exception to all leases with a term of one year or less.

Financial statement presentation: Net assets and support, revenues, and gains are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as:

> Without donor restrictions – Those resources not subject to donor-imposed restrictions. The Board of Directors has discretionary control over these resources.
>
> With donor restrictions – Those resources subject to donor-imposed restrictions that will be satisfied by action of the Organization or by the passage of time.

Accounting principles generally accepted in the United States of America provide that if the governing body of an organization has the unilateral power to redirect the use of donor contributions to another beneficiary, such contributions should be classified as net assets without donor restrictions. The Board of Directors of the Organization has the ability known as variance power; however, the Board would generally intend to exercise this authority only if the stated purpose of a contribution becomes no longer applicable and incapable of fulfillment. Accordingly, the financial statements reflect certain fiscal sponsorship funds as net assets with donor restrictions as of December 31, 2023. During the years ended December 31, 2024 and 2023, the Organization acted as a fiscal sponsor for one local group (the "Sponsoree"). As the Organization retained ultimate variance power over these contributions, amounts received on behalf of the Sponsoree were treated as contributions with donor restrictions, and expenses paid on behalf of the Sponsoree were treated as expenses of the Organization. The fiscal sponsorship concluded in 2024.

Contributions: Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Promises to give are conditional if there is a barrier that must be overcome before the recipient is entitled to the asset transferred and the donor has the right to request the asset back if it was not used properly. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Contributions of nonfinancial assets are measured at fair value and include services and materials. Donated services are recognized in the financial statements if the services either (a) create or enhance a nonfinancial asset or (b) require specialized skills, are provided by entities or persons possessing those skills, and would need to be purchased if they were not donated.

Allocation of expenses: Directly identifiable expenses are charged to program services and supporting services (management and general), while other expenses are allocated based on management's estimates of the percentage attributable to the program services and supporting services benefited. The expenses that are allocated are (a) employee benefits; payroll taxes; certain office expenses; payroll processing fees; travel, meals, and entertainment; and depreciation, which are allocated on the basis of estimates of time and effort and (b) occupancy, which is allocated on a square footage basis.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Advertising: Advertising costs are expensed as incurred. Advertising and marketing expense totaled $40,805 and $36,633 for the years ended December 31, 2024 and 2023, respectively.

Income taxes: The Organization is qualified under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes except for net revenue derived from any unrelated business activities. Management has evaluated significant tax positions against the criteria established by professional standards and believes there are no such tax positions requiring accounting recognition in the financial statements. Any changes in tax positions will be recorded when the ultimate outcome becomes known. The Organization's income tax returns are subject to examination by taxing authorities generally for three years after the date on which those returns are filed. The Organization recognizes interest and penalties, if any, related to income tax liabilities as income tax expense in the statements of activities.

Reclassifications: Certain reclassifications have been made to the 2023 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

Note 2. Concentrations of Credit Risk

The Organization maintains its cash balances with two financial institutions. The balances at the financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 or the Depositors Insurance Fund (DIF). At December 31, 2024 and 2023, the Organization had no uninsured cash.

Grants receivable and other promises to give from one and two donors accounted for 67% and 61% of total grants receivable and other promises to give as of December 31, 2024 and 2023, respectively.

Note 3. Investments

Investments consist of United States Treasury Bills which are stated at fair value based on quoted prices from active markets (all Level 1 measurements), and are summarized as follows at December 31, 2024 and 2023:

	Cost	Fair Value	Unrealized Gains
December 31, 2024	$ 331,758	$ 338,852	$ 7,094
December 31, 2023	$ 211,788	$ 216,239	$ 4,451

Note 4. Fair Value Measurements

Fair values of assets measured at December 31, 2024 and 2023, on a recurring basis are as follows:

	Fair Value Measurements at the End of the Reporting Period Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
December 31, 2024				
United States Treasury Bills	$ 338,852	$ -	$ -	$ 338,852
Total	$ 338,852	$ -	$ -	$ 338,852
December 31, 2023				
United States Treasury Bills	$ 216,239	$ -	$ -	$ 216,239
Total	$ 216,239	$ -	$ -	$ 216,239

Note 5. Equipment and Leasehold Improvements

Equipment and leasehold improvements, net consists of the following as of December 31, 2024 and 2023:

	2024	2023
Leasehold improvements	$ 28,170	$ 28,170
Computers	16,822	14,823
Equipment	5,244	5,244
	50,236	48,237
	(41,717)	(36,222)
Less accumulated depreciation	$ 8,519	$ 12,015

Depreciation expense was $5,495 in 2024 and $14,401 in 2023.

Note 6. Operating Lease

The Organization leases office space under an operating lease that included an option for a one-year renewal through August 31, 2023, which the Organization had exercised. Effective September 1, 2023, the lease automatically renews every 90 days and is considered a short-term lease. Rent was $1,050 per month in 2024 and $1,000 per month in 2023.

Lease expense was $12,600 in 2024 and $12,000 in 2023 and is included in occupancy in the statements of functional expenses.

Note 7. Net Assets with Donor Restrictions

At December 31, 2024, $617,754 is restricted for future periods, and $89,058 is restricted for salaries and wages and certain related benefits. At December 31, 2023, $250,597 is restricted for future periods, $167,715 is restricted for salaries and wages and certain related benefits, and $9,615 is restricted for the fiscal sponsorship.

Note 8. Significant Donors

A donor is considered significant if the revenue and support recognized from the donor exceeds 10% of total support, revenues, and gains reflected on the statements of activities. During 2024, 36% of total support, revenues, and gains was derived from one donor. During 2023, 29% of total revenues and support was derived from two donors.

Note 9. Contributions of Nonfinancial Assets

The Organization received contributed materials during 2024 with a fair value on the date of donation of $5,900. The Organization received contributed services and materials during 2023 with a fair value on the dates of donation of $104,292 and $7,000, respectively. Such amounts are what the Organization would have paid for such services and materials. These amounts are reflected as contributions of nonfinancial assets in the statements of activities. The services are also reflected in contract labor in the statements of functional expenses, and the materials are reflected in events.

Note 10. Related Party Transactions

Included in grants receivable as of December 31, 2024 and 2023, are amounts receivable from two directors of the Organization totaling $80,594 and $230,597, respectively.

The Organization recognized contributions from directors totaling $0 in 2024 and $532,917 in 2023.

Note 11. Defined Contribution Pension Plan

The Organization has adopted a defined contribution pension plan as defined under Section 401(k) of the U.S. Internal Revenue Code covering substantially all employees with at least one month of service. The Organization matches 100% of a participant's elective contributions up to 1% of the participant's compensation. Total expense for 2024 and 2023 was $7,647 and $5,559, respectively, and is included in employee benefits in the statements of functional expenses. The Organization may make discretionary nonelective contributions to the plan. No such contributions were made for 2024 and 2023.

Note 12. Liquidity and Availability of Financial Assets

The Organization has $1,537,855 of financial assets available within one year of the statement of financial position date to meet cash needs for general operating expenditures, consisting of cash of $772,179, grants receivable of $381,869, investments of $338,852, other current assets of $1,050, Employee Retention Credit receivable of $35,000, and interest receivable of $8,905. The Organization has certain donor-restricted net assets that are available for general expenditures within one year of December 31, 2024, because the restrictions on the net assets are expected to be met by conducting the normal activities in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year. As part of its liquidity management, the Organization invests cash in excess of daily requirements in United States Treasury Bills.

Note 13. Subsequent Events

Management has evaluated subsequent events through November 13, 2025, the date the Organization's financial statements were available to be issued.