

SOLUTIONS JOURNALISM NETWORK, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2024 and 2023

SOLUTIONS JOURNALISM NETWORK, INC.

Contents

	<u>Page</u>
Independent Auditors' Report	1 - 2
Financial Statements	
Statements of financial position as of December 31, 2024 and 2023	3
Statements of activities for the years ended December 31, 2024 and 2023	4
Statement of functional expenses for the year ended December 31, 2024 (with summarized financial information for 2023)	5
Statement of functional expenses for the year ended December 31, 2023	6
Statements of cash flows for the years ended December 31, 2024 and 2023	7
Notes to financial statements	8 - 15

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Solutions Journalism Network, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Solutions Journalism Network, Inc. (the "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 each of 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 Solutions Journalism Network, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for each of 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 Auditors' 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 these 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.

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 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.

"EisnerAmper" is the brand name under which EisnerAmper LLP and Eisner Advisory Group LLC and its subsidiary entities provide professional services.

EisnerAmper LLP and Eisner Advisory Group LLC are independently owned firms that practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. EisnerAmper LLP is a licensed CPA firm that provides attest services, and Eisner Advisory Group LLC and its subsidiary entities provide tax and business consulting services. Eisner Advisory Group LLC and its subsidiary entities are not licensed CPA firms.

In performing an audit in accordance with GAAS, 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 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.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
September 26, 2025



SOLUTIONS JOURNALISM NETWORK, INC.

Statements of Financial Position

	December 31,	
	2024	2023
ASSETS		
Cash and cash equivalents	\$ 693,883	\$ 1,207,998
Contributions receivable, net	2,602,011	1,106,932
Investments	5,085,567	5,183,558
Prepaid expenses and other assets	63,729	72,574
Website costs, net	70,635	183,314
Security deposits	88,821	88,821
	\$ 8,604,646	\$ 7,843,197
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 240,331	\$ 364,028
Grants payable	211,629	122,250
	451,960	486,278
Commitments (see Note H)		
Net assets:		
Without donor restrictions	4,208,650	4,187,071
With donor restrictions	3,944,036	3,169,848
	8,152,686	7,356,919
	\$ 8,604,646	\$ 7,843,197

SOLUTIONS JOURNALISM NETWORK, INC.

Statements of Activities

	Year Ended December 31,					
	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue:						
Contributions of financial assets:						
Organizations	\$ 1,239,691	\$ 7,005,292	\$ 8,244,983	\$ 701,604	\$ 3,860,570	\$ 4,562,174
Individuals	8,910	-	8,910	20,892	-	20,892
Contributions of non-financial assets	22,624	-	22,624	-	-	-
Program training revenue	167,928	-	167,928	126,037	-	126,037
Interest income	323,205	-	323,205	218,602	-	218,602
Other income	2,878	-	2,878	6,808	-	6,808
Total public support and revenue before net assets released from restrictions	1,765,236	7,005,292	8,770,528	1,073,943	3,860,570	4,934,513
Net assets released from restrictions	6,231,104	(6,231,104)	-	8,645,390	(8,645,390)	-
Total public support and revenue	7,996,340	774,188	8,770,528	9,719,333	(4,784,820)	4,934,513
Expenses:						
Program service:						
Systems change	5,844,182	-	5,844,182	7,938,446	-	7,938,446
Solutions insights lab	628,659	-	628,659	-	-	-
Total program services	6,472,841	-	6,472,841	7,938,446	-	7,938,446
Supporting services:						
General and administrative	872,520	-	872,520	985,589	-	985,589
Fund-raising	629,400	-	629,400	532,500	-	532,500
Total supporting services	1,501,920	-	1,501,920	1,518,089	-	1,518,089
Total expenses	7,974,761	-	7,974,761	9,456,535	-	9,456,535
Change in net assets	21,579	774,188	795,767	262,798	(4,784,820)	(4,522,022)
Net assets, beginning of year	4,187,071	3,169,848	7,356,919	3,924,273	7,954,668	11,878,941
Net assets, end of year	\$ 4,208,650	\$ 3,944,036	\$ 8,152,686	\$ 4,187,071	\$ 3,169,848	\$ 7,356,919

See notes to financial statements.

SOLUTIONS JOURNALISM NETWORK, INC.

Statement of Functional Expenses

Year Ended December 31, 2024

(with summarized financial information for 2023)

	Program Expenses			Supporting Services			Total Expenses 2024	Total Expenses 2023
	Systems Change	Solutions Insights Lab	Total Program Services	General and Administrative	Fund-raising	Total Supporting Services		
Salaries	\$ 2,167,636	\$ 378,187	\$ 2,545,823	\$ 496,576	\$ 503,457	\$ 1,000,033	\$ 3,545,856	\$ 4,066,468
Payroll taxes and employee benefits	377,375	64,292	441,667	84,417	85,588	170,005	611,672	719,283
Total salaries, payroll taxes and employee benefits	2,545,011	442,479	2,987,490	580,993	589,045	1,170,038	4,157,528	4,785,751
Newsroom grants and fees	821,425	-	821,425	-	-	-	821,425	1,342,860
Journalist grants and fees	112,000	-	112,000	-	-	-	112,000	338,250
Program consulting fees	1,653,073	42,686	1,695,759	-	-	-	1,695,759	1,547,612
Events and conferences	14,875	835	15,710	-	-	-	15,710	47,092
Occupancy	68,578	11,285	79,863	6,945	-	6,945	86,808	140,672
Office supplies	90,486	6,229	96,715	14,563	8,832	23,395	120,110	134,740
Website maintenance	105,951	17,669	123,620	10,758	-	10,758	134,378	184,069
Accounting and financial services	-	-	-	39,719	-	39,719	39,719	77,466
Audit and legal services	34,557	5,791	40,348	52,347	-	52,347	92,695	51,896
General management and fund-raising consultants	-	-	-	95,094	3,450	98,544	98,544	34,114
Other professional fees	-	-	-	-	-	-	-	4,957
Insurance	18,525	3,105	21,630	1,928	-	1,928	23,558	22,794
Travel and lodging	210,944	65,520	276,464	10,690	26,365	37,055	313,519	475,648
Subscriptions, licenses and fees	7,925	590	8,515	4,210	1,498	5,708	14,223	22,789
Technology	56,105	15,171	71,276	21,529	152	21,681	92,957	92,998
Other expenses	5,335	643	5,978	23,399	58	23,457	29,435	2,716
Amortization	99,392	16,656	116,048	10,345	-	10,345	126,393	150,111
Total expenses	\$ 5,844,182	\$ 628,659	\$ 6,472,841	\$ 872,520	\$ 629,400	\$ 1,501,920	\$ 7,974,761	\$ 9,456,535

See notes to financial statements.

SOLUTIONS JOURNALISM NETWORK, INC.

Statement of Functional Expenses Year Ended December 31, 2023

	Program Expenses	Supporting Services			Total Expenses
	Systems Change	General and Administrative	Fund- raising	Total Supporting Services	
Salaries	\$ 3,067,916	\$ 585,095	\$ 413,457	\$ 998,552	\$ 4,066,468
Payroll taxes and employee benefits	543,134	102,941	73,208	176,149	719,283
Total salaries, payroll taxes and employee benefits	3,611,050	688,036	486,665	1,174,701	4,785,751
Newsroom grants and fees	1,342,860	-	-	-	1,342,860
Journalist grants and fees	338,250	-	-	-	338,250
Program consulting fees	1,547,612	-	-	-	1,547,612
Events and conferences	46,395	697	-	697	47,092
Occupancy	118,192	22,480	-	22,480	140,672
Office supplies	97,713	27,120	9,907	37,027	134,740
Website maintenance	154,803	29,266	-	29,266	184,069
Accounting and financial services	-	77,466	-	77,466	77,466
Audit and legal services	43,584	8,312	-	8,312	51,896
General management and fund-raising consultants	-	30,664	3,450	34,114	34,114
Other professional fees	-	-	4,957	4,957	4,957
Insurance	19,143	3,651	-	3,651	22,794
Travel and lodging	407,709	42,016	25,923	67,939	475,648
Subscriptions, licenses and fees	13,753	7,973	1,063	9,036	22,789
Technology	68,959	23,504	535	24,039	92,998
Other expenses	2,355	361	-	361	2,716
Amortization	126,068	24,043	-	24,043	150,111
Total expenses	\$ 7,938,446	\$ 985,589	\$ 532,500	\$ 1,518,089	\$ 9,456,535

See notes to financial statements.

SOLUTIONS JOURNALISM NETWORK, INC.

Statements of Cash Flows

	Year Ended December 31,	
	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ 795,767	\$ (4,522,022)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Amortization expense	126,393	150,111
Changes in:		
Contributions receivable, net	(1,495,079)	3,895,264
Prepaid expenses and other assets	8,845	52,664
Security deposits	-	(24,249)
Accounts payable and accrued expenses	(123,697)	(35,382)
Grants payable	89,379	(262,717)
Net cash used in operating activities	(598,392)	(746,331)
Cash flows from investing activities:		
Purchases of investments	(9,457,356)	(8,244,253)
Proceeds from sales of investments	7,398,172	850,000
Proceeds from maturities of certificates of deposit	2,157,175	3,092,818
Capitalized website costs	(13,714)	(45,181)
Net cash provided by (used in) investing activities	84,277	(4,346,616)
Decrease in cash and cash equivalents	(514,115)	(5,092,947)
Cash and cash equivalents, beginning of year	1,207,998	6,300,945
Cash and cash equivalents, end of year	\$ 693,883	\$ 1,207,998
Supplemental disclosure of cash flow information:		
Donated services	\$ 22,624	\$ -

SOLUTIONS JOURNALISM NETWORK, INC.

Notes to Financial Statements December 31, 2024 and 2023

NOTE A - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] The Organization:

Solutions Journalism Network, Inc. (the “Organization”), incorporated in 2013 in Delaware, is a not-for-profit organization that works to spread the practice of “solutions journalism” – rigorous reporting about credible responses to social problems. The Organization’s mission is to establish solutions journalism as a core function in journalism, conforming to the profession’s highest standards of independence and accuracy. In keeping with journalism’s historic responsibility to spotlight and contextualize significant activity in the public interest, journalists reporting through a solutions lens will circulate accurate and helpful information about how communities are responding to a wide range of challenges and potential pathways forward. The Organization is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the “Code”), and from state and local taxes under comparable laws.

Systems Change

The Organization supports entrepreneurial journalists reporting through a solutions lens, connects a network of journalists learning and championing the practice, and amplifies and disseminates insights that emerge from solutions-focused journalism projects. The Organization identifies, engages, and supports solutions journalism innovators through its fellowships for individual journalists and through partnerships with institutions, often resulting in high-impact solutions-focused reporting projects. The Organization trains reporters, editors and educators, and certifies those who wish to teach others through its Train the Trainers initiative. The Organization fosters emerging solutions journalism peer learning communities through a range of touchpoints, such as peer networks, conferences and other convenings, and a public directory to reinforce connections across knowledge and resources. In some cases, the Organization offers modest financial support for reporter time and travel, audience engagement activities or other high-value activities. The Organization has created a core curriculum designed to introduce its distinctive approach to journalism professionals and students; and to further develop and strengthen the skills of those who already integrate solutions-oriented reporting into their work. The Organization provides an online suite of courses in its “Learning Lab” which are free to access. Resources include core training in solutions journalism, as well as specialized guides for editors and reporters focusing on specific topics.

These resources, in addition to a growing archive of thousands of model-solutions stories in the “Solutions Story Tracker,” are intended to enhance the understanding and practice of solutions-journalism for reporters, editors and educators. Working with partners, the Organization is translating some of these resources into multiple languages, making them accessible to non-English-speaking constituents. The Organization also supports faculty in developing and sharing teaching materials based on solutions journalism stories in a range of disciplines.

Solutions Insights Lab

An initiative of the Organization, the Solutions Insights Lab (“SIL”), combines the investigative power of journalism with the research discipline of social science to map systemic challenges, identifying critical gaps and surfacing valuable insights about emerging responses that have the potential to bridge those gaps. It collects knowledge from across networks that can speed the spread of effective innovations.

What the SIL does isn’t journalism and is appropriately separated with a firewall from the Organization’s core journalism work. It’s client-focused research, but it’s anchored in the principles and mechanics of solutions reporting, a proven way to interrogate responses to problems. The SIL conducts targeted interviews with people around the world who are working on a particular challenge—from distributing reading glasses to the 800 million people who need them, to ending violence against children—with a constant focus on what’s working and what’s not.

These conversations are mined for key insights and analyzed for significant patterns and contradictions. The ultimate outcome is research that uncovers how change efforts are functioning, and what can be learned to explain success or failure.

SOLUTIONS JOURNALISM NETWORK, INC.

Notes to Financial Statements December 31, 2024 and 2023

NOTE A - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[2] Basis of accounting:

The financial statements of the Organization have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit organizations.

[3] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets, liabilities, public support and revenue, and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates and assumptions.

[4] Cash and cash equivalents:

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

[5] Investments:

The Organization's investments in certificates of deposit are reported at their fair values in the statements of financial position as of year-end. Investments also include a money market fund which is considered held for investment.

The Organization's investments, in general, are subject to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment vehicles, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment transactions are recorded on a trade-date basis. Realized gains and losses on investments sold, and unrealized appreciation and depreciation on investments held, are reported in the statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted through donor stipulation. Realized gains and losses on investments are determined by comparison of the cost of acquisition to proceeds at the time of disposition. Unrealized gains and losses on investments are determined by comparing the investment's cost basis to the fair value at the end of each year. The earnings from dividends and interest are recognized when earned. Investment fees are embedded in various investment transactions.

[6] Website costs:

Website costs related to application development, site configuration and infrastructure, and conceptual design are capitalized. Costs relating to operation and support are expensed as incurred. The Organization capitalizes website costs that have a cost of \$1,000 or more and a useful life of greater than one year. Capitalized costs are amortized over a three-year expected life, using the straight-line method. At December 31, 2024 and 2023, capitalized website costs are presented net of accumulated amortization of \$783,714 and \$657,321, respectively.

[7] Grants and grant commitments:

Unconditional grants and awards made to others are recognized as expenses in the financial statements at the time of approval. Unconditional grants and awards approved, but not yet paid, are reported as grants payable in the statements of financial position at each year-end. Conditional grants and awards are not reported as expenses until the conditions or milestones are met by the intended recipients.

SOLUTIONS JOURNALISM NETWORK, INC.

Notes to Financial Statements December 31, 2024 and 2023

NOTE A - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[8] Net assets:

(i) *Net assets without donor restrictions:*

The Organization's net assets without donor restrictions represent those resources that are available for current operations, as there are no restrictions by donors as to their use.

(ii) *Net assets with donor restrictions:*

Net assets with donor restrictions represent those resources that are subject to donor-imposed restrictions, such as specific purposes and/or a specific period of time. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as "net assets released from restrictions."

[9] Revenue recognition:

(i) *Contributions:*

Contributions made to the Organization are recognized as revenue upon the receipt of cash, other assets, or of unconditional pledges. Contributions are reported as "with donor restrictions" if they are received with donor stipulations or time considerations as to their use. Contributions to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved. Conditional contributions are recorded when the conditions have been met by requisite actions of the Organization's management, or necessary events have taken place.

(ii) *Program training revenue:*

Revenue from program training is recorded as revenue in the period that the services are rendered.

(iii) *Donated services:*

For recognition of donated services in the Organization's financial statements, such services must: (i) require a specialized skill, (ii) be provided by individual possessing these skills, and (iii) typically need to be acquired if not provided by donation. Donated services are recorded as support at their estimated fair values at the dates of donation. Donated services are reported as both contributions and expenses in the statements of activities.

[10] Functional allocation of expenses:

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expenses present expenses by natural classification and function. Accordingly, direct costs have been allocated among program and supporting services based on the nature of the expense. Indirect costs have been allocated on the basis of time and effort. Costs that have been allocated include salaries and related payroll costs, occupancy, travel, office supplies, website maintenance, insurance and amortization expenses.

[11] Income taxes:

The Organization is subject to the provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. Because of the Organization's general tax-exempt status, management believes ASC Topic 740 has not had, and is not anticipated to have, a material impact on the Organization's financial statements.

SOLUTIONS JOURNALISM NETWORK, INC.

Notes to Financial Statements December 31, 2024 and 2023

NOTE A - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] Subsequent events:

The Organization evaluated subsequent events through September 26, 2025, the date on which the financial statements were available to be issued.

NOTE B - CONTRIBUTIONS RECEIVABLE

At each year-end, contributions were due to be collected as follows:

	December 31,	
	2024	2023
Less than one year	\$ 1,226,516	\$ 924,670
One to five years	1,501,500	198,958
	2,728,016	1,123,628
Reduction of pledges due in excess of one year to present value of 4.48%	(126,005)	(16,696)
	<u>\$ 2,602,011</u>	<u>\$ 1,106,932</u>

The Organization periodically assesses the collectability of its contributions receivable using management's judgement of potential defaults, which considers factors such as prior collection history, type of contribution and the nature of fund-raising activity, and provides allowances for anticipated losses, if any, when necessary.

NOTE C - INVESTMENTS

At each year-end, investments consisted of the following:

	December 31,			
	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Money market fund	\$ 1,245,182	\$ 1,245,182	\$ 4,276,383	\$ 4,276,383
Certificates of deposit	3,840,385	3,840,385	907,175	907,175
	<u>\$ 5,085,567</u>	<u>\$ 5,085,567</u>	<u>\$ 5,183,558</u>	<u>\$ 5,183,558</u>

SOLUTIONS JOURNALISM NETWORK, INC.

Notes to Financial Statements December 31, 2024 and 2023

NOTE C - INVESTMENTS (CONTINUED)

The FASB's ASC Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical investments at the reporting date.

Level 2: Valuations are based on: (i) quoted prices for similar investments in active markets; or (ii) quoted prices for those investments, or similar investments, in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable on the reporting date.

Level 3: Valuations are based on pricing inputs that are unobservable and include situations where: (i) there is little, if any, market activity for the investments; or (ii) the investments cannot be independently valued.

The available market data is monitored to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The following table summarizes the fair values of the Organization's investments at each year-end, in accordance with the FASB's ASC Topic 820 valuation levels:

	December 31,					
	2024			2023		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Money market fund	\$ 1,245,182	\$ -	\$ 1,245,182	\$ 4,276,383	\$ -	\$4,276,383
Certificates of deposit	-	3,840,385	3,840,385	-	907,175	907,175
	<u>\$ 1,245,182</u>	<u>\$ 3,840,385</u>	<u>\$ 5,085,567</u>	<u>\$ 4,276,383</u>	<u>\$ 907,175</u>	<u>\$5,183,558</u>

NOTE D - GRANTS PAYABLE AND CONDITIONAL GRANTS

As of December 31, 2024 and 2023, grants payable were \$211,629 and \$122,250, respectively. The full balance at each year-end is expected to be fully paid in the subsequent year. There were no conditional grants as of December 31, 2024 and 2023, respectively.

NOTE E - BANK LINE OF CREDIT

The Organization has a line of credit with a bank for \$750,000, that was set to expire in September 2023. During 2023, the line was renewed and it now expires in June 2025. The line of credit is collateralized by the Organization's cash, cash equivalents, and investments. There were no drawdowns on the line of credit during 2024 or 2023. The line of credit bears an interest rate of the Secured Overnight Financing Rate ("SOFR") plus the applicable margin rate of 4.275%. In July 2025, the Organization renewed the line of credit, which bears an interest rate of the SOFR plus the applicable margin rate of 6.501%.

SOLUTIONS JOURNALISM NETWORK, INC.

Notes to Financial Statements December 31, 2024 and 2023

NOTE F - NET ASSETS WITH DONOR RESTRICTIONS

At each year-end, net assets with donor restrictions consisted of the following:

	December 31,	
	2024	2023
Restricted for future periods	\$ 133,333	\$ 366,666
Purpose restricted:		
Systems change	3,559,293	2,693,990
Solutions insights lab	251,410	-
Infrastructure	-	109,192
Total purpose restrictions	3,810,703	2,803,182
Total	\$ 3,944,036	\$ 3,169,848

During each year, net assets released from restrictions resulted from satisfying the following donor restrictions:

	December 31,	
	2024	2023
Time restrictions satisfied	\$ 233,333	\$ 233,334
Purpose restrictions satisfied:		
Systems change	5,601,360	6,607,173
Solutions insights lab	287,219	-
Infrastructure	109,192	1,804,883
Total purpose restrictions satisfied	5,997,771	8,412,056
Total	\$ 6,231,104	\$ 8,645,390

NOTE G - DONATED SERVICES

Contributions of non-financial assets consisted of the following:

Year Ended December 31, 2024				
	Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Donated legal services	\$ 22,624	General and administrative	N/A	Contributed legal services are considered to reflect fair market rates for services performed.

In-kind contributions were de minimis for the year ended December 31, 2023.

SOLUTIONS JOURNALISM NETWORK, INC.

Notes to Financial Statements December 31, 2024 and 2023

NOTE H - COMMITMENTS

[1] Lease commitment:

During 2022, the Organization entered into a short-term lease agreement for office space, renewable every five months. As of December 31, 2022, the Organization was committed to a lease that ended in May 2023, for which monthly rent payments were \$9,394. In February 2023, the Organization signed a new agreement that commenced on June 1, 2023 and terminated on May 31, 2024, for which monthly rent payments were \$10,178. Beginning in June 2024, the Organization downsized its office space and is renting on a month-to-month basis for monthly rent payments of \$2,380.

[2] Other contracts:

In the normal course of its business, the Organization enters into various contracts and agreements for professional and other services, all of which are typically renewable on a year-to-year basis.

NOTE I - CONCENTRATION OF REVENUE

Approximately 56% of the Organization's contribution revenue was provided by two donors in 2024 and four donors in 2023, respectively.

NOTE J - CONCENTRATION OF CREDIT RISK

The Organization deposits cash in a financial institution which, at times, may exceed federally insured limits. The Organization's cash is held in a major institution, and management believes that there is no significant risk of loss by reason of the institution's failure. Management monitors the risk associated with concentrations on an ongoing basis.

NOTE K - RELATED PARTY TRANSACTIONS

During 2024, the Organization entered into a consulting agreement with a Board member totaling \$18,600. The Organization believes this transaction was conducted at arms-length. The Organization incurred \$5,000 of expenses related to this agreement during 2024. There were no such transactions during 2023.

SOLUTIONS JOURNALISM NETWORK, INC.

Notes to Financial Statements December 31, 2024 and 2023

NOTE L - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization's financial assets as of each year-end available for general expenditures (which includes scheduled grant payments) within one year of the statements of financial position date:

	December 31,	
	2024	2023
Cash and cash equivalents	\$ 693,883	\$ 1,207,998
Contributions receivable, net	2,602,011	1,106,932
Investments	5,085,567	5,183,558
Total financial assets available within one year	8,381,461	7,498,488
Less:		
Amounts unavailable for general expenditure within one year, due to:		
Restricted by donors for:		
Time restrictions	(133,333)	(366,666)
Purpose restrictions	(3,810,703)	(2,803,182)
Total amounts unavailable for general expenditure within one year	(3,944,036)	(3,169,848)
Total financial assets available to meet cash needs for general expenditures within one year	\$ 4,437,425	\$ 4,328,640

Liquidity policy:

As part of the Organization's liquidity management, it maintains a sufficient level of operating cash to be available as its general expenditures, grants, liabilities, and other obligations come due. As disclosed in Note E, the Organization has access to a line of credit which is available for short-term liquidity needs.