



FREE PRESS AND FREE PRESS ACTION FUND

COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2025





FREE PRESS AND FREE PRESS ACTION FUND

COMBINED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2025 AND 2024

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INDEPENDENT AUDITOR'S REPORT

Boards of Directors
Free Press and Free Press Action Fund

Opinion

We have audited the accompanying combined financial statements of Free Press and Free Press Action Fund (the Organizations), which comprise the combined statements of financial position as of December 31, 2025 and 2024, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Free Press and Free Press Action Fund as of December 31, 2025 and 2024, and the combined changes in their net assets and their combined 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 Auditor's Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of Free Press and Free Press Action Fund 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 Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Free Press and Free Press Action Fund's ability to continue as going concerns within one year after the date that the combined financial statements are available to be issued.





Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 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 combined 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 combined 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 combined 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 Free Press and Free Press Action Fund'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Free Press and Free Press Action Fund'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.



Report on Combining Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining information on pages 18 through 21 is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual entities, and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The combining information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Calibre CPA Group, PLLC

Bethesda, MD
April 15, 2026



FREE PRESS AND FREE PRESS ACTION FUND

COMBINED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Assets		
Assets		
Cash and cash equivalents	\$ 1,086,478	\$ 1,032,107
Investments	7,652,040	7,133,766
Contributions receivable	3,179,107	3,568,217
Other receivables	8,219	8,219
Prepaid expenses	196,983	161,083
Property and equipment, net	28,235	43,632
Right-of-use asset - operating lease	98,796	266,490
Security deposit	<u>13,381</u>	<u>12,881</u>
Total assets	<u>\$ 12,263,239</u>	<u>\$ 12,226,395</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 95,234	\$ 93,900
Operating lease liability	121,611	347,332
Accrued vacation	<u>307,520</u>	<u>318,583</u>
Total liabilities	<u>524,365</u>	<u>759,815</u>
Net assets		
Without donor restrictions		
Undesignated	5,587,633	3,229,080
Board designated - operating reserve	3,025,000	2,975,000
Board designated - program reserve	<u>1,000,000</u>	<u>1,000,000</u>
Total without donor restrictions	9,612,633	7,204,080
With donor restrictions	<u>2,126,241</u>	<u>4,262,500</u>
Total net assets	<u>11,738,874</u>	<u>11,466,580</u>
Total liabilities and net assets	<u>\$ 12,263,239</u>	<u>\$ 12,226,395</u>

See accompanying notes to combined financial statements.

FREE PRESS AND FREE PRESS ACTION FUND

COMBINED STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue						
Contributions						
Membership	\$ 119,634	\$ -	\$ 119,634	\$ 83,737	\$ -	\$ 83,737
Other	7,142,359	1,755,500	8,897,859	2,780,574	2,539,500	5,320,074
Investment income	359,273	-	359,273	374,631	-	374,631
Other income	32,750	-	32,750	229,200	-	229,200
Net assets released from restrictions	3,891,759	(3,891,759)	-	3,830,000	(3,830,000)	-
Total support and revenue	<u>11,545,775</u>	<u>(2,136,259)</u>	<u>9,409,516</u>	<u>7,298,142</u>	<u>(1,290,500)</u>	<u>6,007,642</u>
Expenses						
Program services	7,850,049	-	7,850,049	6,581,964	-	6,581,964
Management and general	481,506	-	481,506	358,255	-	358,255
Fund raising	805,667	-	805,667	868,320	-	868,320
Total expenses	<u>9,137,222</u>	<u>-</u>	<u>9,137,222</u>	<u>7,808,539</u>	<u>-</u>	<u>7,808,539</u>
Change in net assets	2,408,553	(2,136,259)	272,294	(510,397)	(1,290,500)	(1,800,897)
Net assets						
Beginning of year	<u>7,204,080</u>	<u>4,262,500</u>	<u>11,466,580</u>	<u>7,714,477</u>	<u>5,553,000</u>	<u>13,267,477</u>
End of year	<u>\$ 9,612,633</u>	<u>\$ 2,126,241</u>	<u>\$ 11,738,874</u>	<u>\$ 7,204,080</u>	<u>\$ 4,262,500</u>	<u>\$ 11,466,580</u>

See accompanying notes to combined financial statements.

FREE PRESS AND FREE PRESS ACTION FUND

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025						
	Program Services				Management and General		
	Future of the Internet, Media and Tech	Democracy and Digital Civil Rights	Future of Journalism	Total Program Services	Fund Raising	Total	
Combined totals							
Communications	\$ 64,965	\$ 100,237	\$ 209,823	\$ 375,025	\$ 8,201	\$ 36,285	\$ 419,511
Occupancy and operating	52,718	55,555	159,047	267,320	98,435	44,021	409,776
Professional services	113,797	157,368	472,133	743,298	84,220	78,073	905,591
Special projects	84,358	81,395	1,252,367	1,418,120	80	-	1,418,200
Staffing costs	889,586	989,785	3,021,916	4,901,287	290,570	647,288	5,839,145
Travel costs	<u>14,155</u>	<u>25,885</u>	<u>104,959</u>	<u>144,999</u>	<u>-</u>	<u>-</u>	<u>144,999</u>
	<u>\$ 1,219,579</u>	<u>\$ 1,410,225</u>	<u>\$ 5,220,245</u>	<u>\$ 7,850,049</u>	<u>\$ 481,506</u>	<u>\$ 805,667</u>	<u>\$ 9,137,222</u>
	2024						
	Program Services				Management and General		
	Future of the Internet, Media and Tech	Democracy and Digital Civil Rights	Future of Journalism	Total Program Services	Fund Raising	Total	
Combined totals							
Communications	\$ 70,546	\$ 57,711	\$ 149,164	\$ 277,421	\$ 9,401	\$ 31,739	\$ 318,561
Occupancy and operating	60,797	48,041	129,242	238,080	5,141	43,813	287,034
Professional services	280,158	214,797	428,860	923,815	59,620	116,972	1,100,407
Special projects	20,304	7,615	638,001	665,920	342	-	666,262
Staffing costs	1,101,814	832,504	2,461,053	4,395,371	283,720	675,723	5,354,814
Travel costs	<u>10,193</u>	<u>7,797</u>	<u>63,367</u>	<u>81,357</u>	<u>31</u>	<u>73</u>	<u>81,461</u>
	<u>\$ 1,543,812</u>	<u>\$ 1,168,465</u>	<u>\$ 3,869,687</u>	<u>\$ 6,581,964</u>	<u>\$ 358,255</u>	<u>\$ 868,320</u>	<u>\$ 7,808,539</u>

See accompanying notes to combined financial statements.

FREE PRESS AND FREE PRESS ACTION FUND

COMBINED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	\$ 272,294	\$ (1,800,897)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Right-of-use asset amortization	167,694	165,722
Depreciation	13,623	1,135
Unrealized gain on investments	(6,776)	(9,834)
Reclassification of property and equipment to expense	1,774	-
Donated securities	-	(182,354)
Changes in assets		
Contributions receivable	389,110	3,612,208
Other receivables	-	5,643
Prepaid expenses	(35,900)	(71,989)
Security deposit	(500)	-
Changes in liabilities		
Accounts payable	1,334	(113,350)
Accrued expenses	(39,812)	35,110
Lease liability	(196,972)	(185,096)
Net cash provided by operating activities	565,869	1,456,298
Cash flows from investing activities		
Proceeds from sale/maturity of investments	4,550,000	3,135,005
Purchases of property and equipment	-	(1,831)
Purchase of investments	(5,061,498)	(4,322,930)
Net cash used for investing activities	(511,498)	(1,189,756)
Net change in cash and cash equivalents	54,371	266,542
Cash and cash equivalents		
Beginning of year	1,032,107	765,565
End of year	\$ 1,086,478	\$ 1,032,107

See accompanying notes to combined financial statements.



FREE PRESS AND FREE PRESS ACTION FUND

NOTES TO COMBINED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2025 AND 2024

NOTE 1. THE ORGANIZATIONS AND NATURE OF OPERATIONS

Free Press

Free Press, founded in 2003, is a national, non-partisan, not-for-profit organization working to increase informed public participation in crucial media policy debates and to generate policies that will produce a more competitive and public-orientated system with a strong nonprofit and noncommercial sector.

Free Press was created for the charitable and educational purposes of conducting research on how the current media system influences the development of public policy and to educate the public and policy-makers on how a more diverse and public service-orientated media system can strengthen American democracy.

Free Press works to preserve rights to free expression, communication and privacy online and in person. Areas of focus include Future of the Internet, Media and Tech; Democracy and Digital Civil Rights; and Future of Journalism.

Free Press Action Fund

Free Press Action Fund, founded in 2003, is a national, non-partisan, not-for-profit, social welfare organization working to educate its members and the general public on how a diverse and public service-oriented media system can strengthen American democracy. Free Press Action Fund advocates and lobbies for media policy that will promote diverse and independent media ownership, strong public media, and universal access to communications.

The accompanying combined financial statements include the accounts of Free Press and Free Press Action Fund (the Organizations). All intercompany transactions have been eliminated in the combined financial statements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation - Financial statement presentation follows the recommendations of U.S. generally accepted accounting principles in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), *Not-for-Profit Entities - Presentation of Financial Statements*. Under those principles, the Organizations are required to report information regarding their financial position and activities according to two classes of net assets - net assets without donor restrictions and net assets with donor restrictions.



NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents - For reporting purposes, the Organizations consider all investments with original maturities of three months or less to be cash and cash equivalents.

Investment Valuation and Income Recognition - Investments consist of amounts held in certificates of deposits, an exchange-traded fund, an equity mutual fund, and a money market mutual fund, which are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The estimated fair value of certificates of deposit is based on market interest rates, and the fair values of the mutual funds are based on quoted market prices. Investment income includes interest, dividends, and changes in fair value. Investment income is reported in the combined statements of activities net of all external and direct internal investment expenses.

Promises to Give - Unconditional promises to give are recognized as revenues or gains in the period the promise is received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Property and Equipment - The Organizations capitalize all expenditures for property and equipment in excess of \$10,000 and having a useful life of greater than three years. Purchased property and equipment are capitalized at cost. Donated property and equipment are capitalized at the estimated fair value at the date of donation. Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Operating Leases - In their combined statements of financial position, the Organizations record a right-of-use asset and lease liability, initially measured at the present value of total lease payments using a risk-free rate that approximates the remaining term of the lease. The Organizations consider the likelihood of exercising renewal or termination clauses (if any) in measuring their right-of-use assets and lease liabilities. A single lease cost calculated so that the cost of the lease is allocated over the lease term on straight-line basis. Short-term leases (those with an initial term of twelve months or less and no purchase option) are expensed over their terms, with no corresponding right-of-use asset or lease liability recorded. The Organizations do not separate non-lease components (if any) from lease components in determining the lease payments for leases of office equipment.



NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets - Net assets are reported in two distinct classes as follows:

Net assets without donor restrictions - These net assets are available to finance the general operations of the Organizations. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organizations, the environments in which they operate, and the purposes specified in their organizing documents.

Net assets with donor restrictions - These net assets result from contributions and other inflows of assets, the use of which by the Organizations is limited by donor-imposed time or purpose restrictions that are either temporary or perpetual.

Donated Securities - From time to time, the Organizations receive, as donations, financial securities. Revenue is recognized on such donations based on the fair value at the time the donation is received and is reported as a component of contributions.

Contributions - Contributions received are reported as increases in net assets not subject to donor restrictions unless received with donor stipulations that require the assets be used for specific purposes or in specific time periods. All donor-restricted revenue is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions.

Grants - Most grant agreements are accounted for as contribution transactions. When an agreement includes both a barrier and either a right of return of assets to the resource provider or a right of release from obligation by the resource provider, the contribution is considered to be conditional. Amounts received under conditional transfers are reported as a liability and recognized as contribution revenue only when the conditions are met.

Functional Allocation of Expenses - The costs of providing the various programs and supporting activities of the Organizations have been summarized on a functional basis in the combined statements of activities and functional expenses. Costs that can be specifically identified with a final cost objective are charged directly to that activity. Other costs are allocated among the program and supporting services benefited based on management's best estimates. Salaries and related fringe benefits are allocated based on employee time and effort studies. Information technology costs are allocated based on the relative benefit of related activity use. Other common costs such as occupancy, depreciation and related infrastructure costs are allocated based on employee time and effort studies.



NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates - The preparation of combined financial statements in conformity with U.S. generally accepted accounting principles 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 combined financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification - Certain amounts previously reported for the year ended December 31, 2024 have been reclassified to conform to the 2025 presentation.

NOTE 3. TAX STATUS

Free Press is exempt from federal income taxes as a public charity under Section 501(c)(3) of the Internal Revenue Code (IRC) and is similarly exempt from state income taxes under Massachusetts law. Free Press Action Fund is exempt from federal income taxes under Section 501(c)(4) of the IRC and is similarly exempt from state income taxes under Massachusetts law. However, income from activities not directly related to the Organizations' tax-exempt purposes may be subject to tax as unrelated business income. To date, the Organizations have not engaged in such activities and, therefore, no provision has been made for federal or state income taxes in the accompanying combined financial statements.

The Organizations account for income taxes in accordance with the ASC Topic *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Organizations performed an evaluation of uncertain tax positions for the years ended December 31, 2025 and 2024, and determined that there were no matters that would require recognition in the combined financial statements or that may have an effect on their tax-exempt status. It is the Organizations' policy to recognize interest and/or penalties related to uncertain tax positions, if any, in unrelated business income tax expense.

NOTE 4. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

As part of the Organizations' liquidity management, they have a policy to structure their financial assets to be available as their general expenditures, liabilities, and other obligations come due. In addition, the Organizations maintain three to six months of operating expenses in reserves.

NOTE 4. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (CONTINUED)

The following table represents the Organizations' combined financial assets available to meet cash needs for general expenditures within one year of December 31, 2025 and 2024.

	<u>2025</u>	<u>2024</u>
Financial assets at end of year		
Cash and cash equivalents	\$ 1,086,478	\$ 1,032,107
Investments	7,652,040	7,133,766
Contributions receivable	3,179,107	3,568,217
Other receivables	<u>8,219</u>	<u>8,219</u>
	11,925,844	11,742,309
Less amounts unavailable for general expenditures within one year		
Board designated - Operating reserve	(3,025,000)	(2,975,000)
Board designated - Program reserve	(1,000,000)	(1,000,000)
Restricted by donors for specific purposes	(1,326,241)	(2,415,500)
Restricted by donors for general support in more than one year	<u>(612,500)</u>	<u>(2,700,000)</u>
Financial assets available for general expenditures within one year	<u>\$ 5,962,103</u>	<u>\$ 2,651,809</u>

NOTE 5. PROMISES TO GIVE

As of December 31, 2025 and 2024, contributions receivable are expected to be collected as follows.

	<u>2025</u>	<u>2024</u>
Due in less than one year	\$ 2,571,637	\$ 904,908
Due in 1 - 5 years	<u>612,500</u>	<u>2,700,000</u>
	3,184,137	3,604,908
Less discount to net present value	<u>(5,030)</u>	<u>(36,691)</u>
	<u>\$ 3,179,107</u>	<u>\$ 3,568,217</u>



NOTE 6. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Organizations report fair value measurements of financial assets and liabilities using a hierarchy for observable independent market inputs and unobservable market assumptions. Considerable judgments are required in interpreting market data used to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The three levels of the fair value hierarchy and the inputs used to determine fair values as of December 31, 2025 and 2024 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organizations have the ability to access.

Level 2 Inputs to the valuation methodology include other significant observable inputs including:

- 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; and
- 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.

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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Fair values of investments were based on the following inputs as of December 31.

NOTE 6. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth by level, within the fair value hierarchy, the Organizations' assets at fair value as of December 31, 2025 and 2024:

	2025			
	Total Investments	Quoted Price Market for Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of deposit	\$ 4,486,874	\$ -	\$ 4,486,874	\$ -
Exchange-traded fund	5,456	5,456	-	-
Money market mutual fund	<u>3,159,710</u>	<u>3,159,710</u>	-	-
	<u>\$ 7,652,040</u>	<u>\$ 3,165,166</u>	<u>\$ 4,486,874</u>	<u>\$ -</u>

	2024			
	Total Investments	Quoted Price Market for Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of deposit	\$ 4,220,057	\$ -	\$ 4,220,057	\$ -
Money market mutual fund	<u>2,913,709</u>	<u>2,913,709</u>	-	-
	<u>\$ 7,133,766</u>	<u>\$ 2,913,709</u>	<u>\$ 4,220,057</u>	<u>\$ -</u>

Following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2025 and 2024.

Certificates of deposit: Value is estimated using rates currently offered for deposits of similar remaining maturities.

Exchange-traded fund and money market mutual fund: Valued based on quoted market prices of identical investments as of the last business day of the year.

NOTE 7. PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31,:

	2025	2024
Office furniture and equipment	\$ 25,631	\$ 25,631
Leasehold improvements	44,071	45,902
Less accumulated depreciation	<u>(41,467)</u>	<u>(27,901)</u>
	<u>\$ 28,235</u>	<u>\$ 43,632</u>

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with temporary donor restrictions as of December 31, 2025 and 2024, and net assets released from restrictions during the year then ended related to the following programs and time restrictions.

	December 31, 2025			
	Beginning of Year	Contributions	Net Assets Released	End Of Year
Time-restricted for general support	\$ 1,847,000	\$ -	\$ (1,047,000)	\$ 800,000
Future of the Internet, Media and Tech	-	-	-	-
Future of Journalism	2,270,000	1,455,500	(2,470,000)	1,255,500
Democracy and Digital Civil Rights	145,500	300,000	(374,759)	70,741
	<u>\$ 4,262,500</u>	<u>\$ 1,755,500</u>	<u>\$ (3,891,759)</u>	<u>\$ 2,126,241</u>

	December 31, 2024			
	Beginning of Year	Contributions	Net Assets Released	End Of Year
Time-restricted for general support	\$ 2,630,000	\$ 247,000	\$ (1,030,000)	\$ 1,847,000
Future of the Internet, Media and Tech	15,000	-	(15,000)	-
Future of Journalism	2,552,500	1,982,500	(2,265,000)	2,270,000
Democracy and Digital Civil Rights	355,500	310,000	(520,000)	145,500
	<u>\$ 5,553,000</u>	<u>\$ 2,539,500</u>	<u>\$ (3,830,000)</u>	<u>\$ 4,262,500</u>

NOTE 9. RETIREMENT BENEFITS

Effective October 1, 2018, the Organizations contribute to a Section 403(b) plan on behalf of substantially all employees. In order to be eligible, an employee must have earned a minimum of \$450 during the preceding twelve months; must be a minimum of 18 years old; and must be a U.S. citizen or certain nonresident alien. The retirement plan contribution can vary each year from 0% to 25% of compensation (said limits are subject to change by federal legislation). Pension expense for the years ended December 31, 2025 and 2024 was \$204,403 and \$182,828, respectively.

NOTE 10. OPERATING LEASE

The Organizations conduct their operations from a facility located in Washington, D.C. and also have a significant portion of their employees working remotely. The Washington, D.C. lease, which commenced March 1, 2012, with an original expiration date of February 28, 2019, was extended through July 31, 2026. As part of the amended lease agreement, the monthly rent was abated for a period of five months. During 2020, the Organizations requested that the rent increase due to take place in September of that year be deferred for one year due to the Coronavirus pandemic. The deferred amount will be applied to the last year of the lease.



NOTE 10. OPERATING LEASE (CONTINUED)

Operating lease expense totaled \$170,088 and \$170,088 for the years ended December 31, 2025 and 2024, respectively. The Organizations had no variable or short-term lease expense in 2025 or 2024 and does not have any finance leases.

Supplemental qualitative information related to operating leases is as follows:

	<u>Year Ended December 31, 2025</u>
Weighted-average remaining lease term (in years)	0.58
Weighted-average discount rate	1.04%

The maturity of the lease liability under the Organization's operating lease as of December 31, 2025 is as follows:

Year ended December 31,		
	2026	\$
Undiscounted future cash flows	122,033	<u>122,033</u>
Less discount to present value	(422)	<u>(422)</u>
Total lease liability		<u>\$ 121,611</u>

NOTE 11. CONCENTRATIONS

The Organizations maintain their cash, cash equivalents and certificates of deposit with two financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures deposits are up to \$250,000 per depositor. The Organizations had cash balances on deposit with the financial institutions at December 31, 2025 that exceeded the balances insured by the FDIC by approximately \$563,800. These amounts are fully insured by the Depositors Insurance Fund (DIF), which insures all deposits above FDIC limits at Massachusetts chartered savings banks.

Concentrations in revenue with respect to contributions are generally limited due to the large number of contributors comprising the Organizations' contributor bases and their dispersion across different industries and geographic areas. However, during 2025, approximately 57% of total contributions were received from six donors, and amounts due from six donors comprised 90% of total contributions receivable as of December 31, 2025. During 2024, approximately 56% of total contributions were received from ten donors, and amounts due from four donors comprised 88% of total contributions receivable as of December 31, 2024.



NOTE 12. SUBSEQUENT EVENTS

Subsequent events have been evaluated through April 15, 2026, which is the date the combined financial statements were available to be issued. This review and evaluation revealed no material event or transaction which would require an adjustment to or disclosure in the accompanying combined financial statements.



SUPPLEMENTAL INFORMATION



FREE PRESS AND FREE ACTION FUND

COMBINING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023)

	Free Press	Free Press Action Fund	Total	Eliminations	2025 Total	2024 Total
Assets						
Cash and cash equivalents	\$ 244,789	\$ 841,689	\$ 1,086,478	\$ -	\$ 1,086,478	\$ 1,032,107
Investments	7,652,040	-	7,652,040	-	7,652,040	7,133,766
Contributions receivable	2,845,878	333,229	3,179,107	-	3,179,107	3,568,217
Other receivables	8,219	-	8,219	-	8,219	8,219
Due from affiliate	164,025	-	164,025	(164,025)	-	-
Prepaid expenses	188,650	8,333	196,983	-	196,983	161,083
Affiliate advance	-	175,000	175,000	(175,000)	-	-
Property and equipment, net	28,235	-	28,235	-	28,235	43,632
Right-of-use asset - operating lease	90,445	8,351	98,796	-	98,796	266,490
Security deposit	13,381	-	13,381	-	13,381	12,881
Total assets	<u>\$ 11,235,662</u>	<u>\$ 1,366,602</u>	<u>\$ 12,602,264</u>	<u>\$ (339,025)</u>	<u>\$ 12,263,239</u>	<u>\$ 12,226,395</u>
Liabilities and Net Assets						
Liabilities						
Due to affiliate	\$ -	\$ 164,025	\$ 164,025	\$ (164,025)	\$ -	\$ -
Accounts payable	94,834	400	95,234	-	95,234	93,900
Accrued expenses	285,999	21,521	307,520	-	307,520	318,583
Operating lease liability	111,332	10,279	121,611	-	121,611	347,332
Advance from affiliate	175,000	-	175,000	(175,000)	-	-
Total liabilities	<u>667,165</u>	<u>196,225</u>	<u>863,390</u>	<u>(339,025)</u>	<u>524,365</u>	<u>759,815</u>
Net assets						
Without donor restrictions						
Undesignated	4,692,256	895,377	5,587,633	-	5,587,633	3,229,080
Board designated - operating reserve	2,750,000	275,000	3,025,000	-	3,025,000	2,975,000
Board designated - program reserve	1,000,000	-	1,000,000	-	1,000,000	1,000,000
Total without donor restrictions	8,442,256	1,170,377	9,612,633	-	9,612,633	7,204,080
With donor restrictions	2,126,241	-	2,126,241	-	2,126,241	4,262,500
Total net assets	<u>10,568,497</u>	<u>1,170,377</u>	<u>11,738,874</u>	<u>-</u>	<u>11,738,874</u>	<u>11,466,580</u>
Total liabilities and net assets	<u>\$ 11,235,662</u>	<u>\$ 1,366,602</u>	<u>\$ 12,602,264</u>	<u>\$ (339,025)</u>	<u>\$ 12,263,239</u>	<u>\$ 12,226,395</u>

FREE PRESS AND FREE ACTION FUND

COMBINING STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2024)

	2025						2024				
	Without Donor Restrictions			With Donor Restrictions			Eliminations	2025 Total	Without Donor Restrictions	With Donor Restrictions	2024 Total
	Free Press	Free Press Action Fund	Total	Free Press	Free Press Action Fund	Total					
Support and revenue											
Contributions											
Membership	\$ -	\$ 119,634	\$ 119,634	\$ -	\$ -	\$ -	\$ -	\$ 119,634	\$ 83,737	\$ -	\$ 83,737
Other	6,695,693	696,666	7,392,359	1,705,500	50,000	1,755,500	(250,000)	8,897,859	2,780,574	2,539,500	5,320,074
Investment income	335,564	23,709	359,273	-	-	-	-	359,273	374,631	-	374,631
Other income	32,750	-	32,750	-	-	-	-	32,750	229,200	-	229,200
Net assets released from restrictions	<u>3,841,759</u>	<u>50,000</u>	<u>3,891,759</u>	<u>(3,841,759)</u>	<u>(50,000)</u>	<u>(3,891,759)</u>	<u>-</u>	<u>-</u>	<u>3,830,000</u>	<u>(3,830,000)</u>	<u>-</u>
Total support and revenue	<u>10,905,766</u>	<u>890,009</u>	<u>11,795,775</u>	<u>(2,136,259)</u>	<u>-</u>	<u>(2,136,259)</u>	<u>(250,000)</u>	<u>9,409,516</u>	<u>7,298,142</u>	<u>(1,290,500)</u>	<u>6,007,642</u>
Expenses											
Program services	7,575,601	524,448	8,100,049	-	-	-	(250,000)	7,850,049	6,581,964	-	6,581,964
Management and general	423,054	58,452	481,506	-	-	-	-	481,506	358,255	-	358,255
Fund raising	<u>727,158</u>	<u>78,509</u>	<u>805,667</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>805,667</u>	<u>868,320</u>	<u>-</u>	<u>868,320</u>
Total expenses	<u>8,725,813</u>	<u>661,409</u>	<u>9,387,222</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>9,137,222</u>	<u>7,808,539</u>	<u>-</u>	<u>7,808,539</u>
Change in net assets	2,179,953	228,600	2,408,553	(2,136,259)	-	(2,136,259)	-	272,294	(510,397)	(1,290,500)	(1,800,897)
Net assets											
Beginning of year	<u>6,262,303</u>	<u>941,777</u>	<u>7,204,080</u>	<u>4,262,500</u>	<u>-</u>	<u>4,262,500</u>	<u>-</u>	<u>11,466,580</u>	<u>7,714,477</u>	<u>5,553,000</u>	<u>13,267,477</u>
End of year	<u>\$ 8,442,256</u>	<u>\$ 1,170,377</u>	<u>\$ 9,612,633</u>	<u>\$ 2,126,241</u>	<u>\$ -</u>	<u>\$ 2,126,241</u>	<u>\$ -</u>	<u>\$ 11,738,874</u>	<u>\$ 7,204,080</u>	<u>\$ 4,262,500</u>	<u>\$ 11,466,580</u>

FREE PRESS AND FREE ACTION FUND

COMBINING STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2024)

	Program Services				Management and General	Fund Raising	2025 Total	2024 Total
	Future of the Internet, Media and Tech	Democracy and Digital Civil Rights	Future of Journalism	Total Program Services				
Free Press								
Communications	\$ 59,022	\$ 93,719	\$ 203,114	\$ 355,855	\$ 7,064	\$ 34,510	\$ 397,429	\$ 292,838
Occupancy and operating	44,265	46,286	149,396	239,947	93,605	35,778	369,330	242,641
Professional services	92,337	133,832	440,732	666,901	66,971	64,697	798,569	933,508
Special projects	84,358	81,395	1,502,367	1,668,120	80	-	1,668,200	955,456
Staffing costs	765,128	853,267	2,881,384	4,499,779	255,334	592,173	5,347,286	4,836,127
Travel costs	14,155	25,885	104,959	144,999	-	-	144,999	81,399
	<u>\$ 1,059,265</u>	<u>\$ 1,234,384</u>	<u>\$ 5,281,952</u>	<u>\$ 7,575,601</u>	<u>\$ 423,054</u>	<u>\$ 727,158</u>	<u>\$ 8,725,813</u>	<u>\$ 7,341,969</u>
Free Press Action Fund								
Communications	\$ 5,943	\$ 6,518	\$ 6,709	\$ 19,170	\$ 1,137	\$ 1,775	\$ 22,082	\$ 25,723
Occupancy and operating	8,453	9,269	9,651	27,373	4,830	8,243	40,446	44,393
Professional services	21,460	23,536	31,401	76,397	17,249	13,376	107,022	166,899
Special projects	-	-	-	-	-	-	-	10,806
Staffing costs	124,458	136,518	140,532	401,508	35,236	55,115	491,859	518,687
Travel costs	-	-	-	-	-	-	-	62
	<u>\$ 160,314</u>	<u>\$ 175,841</u>	<u>\$ 188,293</u>	<u>\$ 524,448</u>	<u>\$ 58,452</u>	<u>\$ 78,509</u>	<u>\$ 661,409</u>	<u>\$ 766,570</u>
Combined totals								
Communications	\$ 64,965	\$ 100,237	\$ 209,823	\$ 375,025	\$ 8,201	\$ 36,285	\$ 419,511	\$ 318,561
Occupancy and operating	52,718	55,555	159,047	267,320	98,435	44,021	409,776	287,034
Professional services	113,797	157,368	472,133	743,298	84,220	78,073	905,591	1,100,407
Special projects	84,358	81,395	1,502,367	1,668,120	80	-	1,668,200	966,262
Staffing costs	889,586	989,785	3,021,916	4,901,287	290,570	647,288	5,839,145	5,354,814
Travel costs	14,155	25,885	104,959	144,999	-	-	144,999	81,461
	<u>\$ 1,219,579</u>	<u>\$ 1,410,225</u>	<u>\$ 5,470,245</u>	<u>\$ 8,100,049</u>	<u>\$ 481,506</u>	<u>\$ 805,667</u>	<u>\$ 9,387,222</u>	<u>\$ 8,108,539</u>

FREE PRESS AND FREE ACTION FUND

COMBINING STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2024)

	Free Press	Free Press Action Fund	Eliminations	2025 Total	2024 Total
Cash flows from operating activities					
Change in net assets	\$ 43,694	\$ 228,600	\$ -	\$ 272,294	\$ (1,800,897)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities					
Depreciation	13,623	-	-	13,623	1,135
Right-of-use asset amortization	149,156	18,538	-	167,694	165,722
Unrealized gain on investments	(6,776)	-	-	(6,776)	(9,834)
Reclassification of property and equipment to expense	1,774	-	-	1,774	-
Donated securities	-	-	-	-	(182,354)
Change in assets					
Contributions receivable	397,339	(8,229)	-	389,110	3,612,208
Other receivables	-	-	-	-	5,643
Due from affiliate	(6,103)	-	6,103	-	-
Prepaid expenses	(29,177)	(6,723)	-	(35,900)	(71,989)
Security deposit	(500)	-	-	(500)	-
Change in liabilities					
Due to affiliate	-	6,103	(6,103)	-	-
Accounts payable	1,334	-	-	1,334	(113,350)
Grant payable to affiliate	-	-	-	-	-
Advance from affiliate	-	-	-	-	-
Accrued expenses	(38,880)	(932)	-	(39,812)	35,110
Lease liability	(175,106)	(21,866)	-	(196,972)	(185,096)
Net cash provided by (used for) operating activities	<u>350,378</u>	<u>215,491</u>	<u>-</u>	<u>565,869</u>	<u>1,456,298</u>
Cash flows from investing activities					
Proceeds from sale/maturity of investments	4,550,000	-	-	4,550,000	3,135,005
Purchases of property and equipment	-	-	-	-	(1,831)
Purchases of investments	(5,061,498)	-	-	(5,061,498)	(4,322,930)
Net cash used for investing activities	<u>(511,498)</u>	<u>-</u>	<u>-</u>	<u>(511,498)</u>	<u>(1,189,756)</u>
Net change in cash and cash equivalents	(161,120)	215,491	-	54,371	266,542
Cash and cash equivalents					
Beginning of year	<u>405,909</u>	<u>626,198</u>	<u>-</u>	<u>1,032,107</u>	<u>765,565</u>
End of year	<u>\$ 244,789</u>	<u>\$ 841,689</u>	<u>\$ -</u>	<u>\$ 1,086,478</u>	<u>\$ 1,032,107</u>