

FREE PRESS AND FREE PRESS ACTION FUND

COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2015

FREE PRESS AND FREE PRESS ACTION FUND

COMBINED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2015 AND 2014

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REPORT OF INDEPENDENT AUDITORS

Boards of Directors
Free Press and Free Press Action Fund

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, 2015 and 2014, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the 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, 2015 and 2014, 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.

Supplementary 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 13-16 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 basic 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 21, 2016

FREE PRESS AND FREE ACTION FUND

COMBINED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2015 AND 2014

	2015	2014
ASSETS		
ASSETS		
Cash and cash equivalents	\$ 912,478	\$ 820,974
Investments	1,163,531	1,137,713
Contributions receivable	336,645	396,488
Accounts receivable	36	1,710
Prepaid expenses	50,978	33,902
Property and equipment, net	36,591	59,506
Security deposit	20,290	20,290
Total assets	\$ 2,520,549	\$ 2,470,583
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 99,581	\$ 105,885
Accrued vacation	62,133	67,655
Total liabilities	161,714	173,540
NET ASSETS		
Unrestricted		
Undesignated	571,014	502,043
Board designated		
Operating reserve	1,000,000	900,000
Total unrestricted	1,571,014	1,402,043
Temporarily restricted	787,821	895,000
Total net assets	2,358,835	2,297,043
Total liabilities and net assets	\$ 2,520,549	\$ 2,470,583

See accompanying notes to combined financial statements.

FREE PRESS AND FREE ACTION FUND
COMBINED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE						
Contributions	\$ 2,118,327	\$ 485,000	\$ 2,603,327	\$ 896,619	\$ 652,000	\$ 1,548,619
Collaborative projects	12,114	-	12,114	73,568	-	73,568
Membership	162,828	-	162,828	236,455	-	236,455
Internet	-	90,000	90,000	-	282,025	282,025
Investment and other income	21,927	-	21,927	16,526	-	16,526
Net assets released from restriction	<u>682,179</u>	<u>(682,179)</u>	<u>-</u>	<u>1,884,025</u>	<u>(1,884,025)</u>	<u>-</u>
Total support and revenue	<u>2,997,375</u>	<u>(107,179)</u>	<u>2,890,196</u>	<u>3,107,193</u>	<u>(950,000)</u>	<u>2,157,193</u>
EXPENSES						
Program services	2,145,220	-	2,145,220	2,179,376	-	2,179,376
Management and general	158,332	-	158,332	147,591	-	147,591
Fund raising	<u>524,852</u>	<u>-</u>	<u>524,852</u>	<u>520,004</u>	<u>-</u>	<u>520,004</u>
Total expenses	<u>2,828,404</u>	<u>-</u>	<u>2,828,404</u>	<u>2,846,971</u>	<u>-</u>	<u>2,846,971</u>
CHANGE IN NET ASSETS	168,971	(107,179)	61,792	260,222	(950,000)	(689,778)
NET ASSETS						
Beginning of year	<u>1,402,043</u>	<u>895,000</u>	<u>2,297,043</u>	<u>1,141,821</u>	<u>1,845,000</u>	<u>2,986,821</u>
End of year	<u>\$ 1,571,014</u>	<u>\$ 787,821</u>	<u>\$ 2,358,835</u>	<u>\$ 1,402,043</u>	<u>\$ 895,000</u>	<u>\$ 2,297,043</u>

See accompanying notes to combined financial statements.

FREE PRESS AND FREE ACTION FUND

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			
	Program Services	Management and General	Fund Raising	Total
COMBINED TOTALS				
Communications	\$ 85,196	\$ 3,851	\$ 15,877	\$ 104,924
Equipment and furnishings	21,363	1,225	4,731	27,319
Occupancy and operating	329,474	24,030	102,924	456,428
Professional services	5,475	32,386	937	38,798
Special projects	42,829	659	865	44,353
Staffing costs	1,591,453	94,197	395,491	2,081,141
Travel costs	<u>69,430</u>	<u>1,984</u>	<u>4,027</u>	<u>75,441</u>
	<u>\$ 2,145,220</u>	<u>\$ 158,332</u>	<u>\$ 524,852</u>	<u>\$ 2,828,404</u>
	2014			
	Program Services	Management and General	Fund Raising	Total
COMBINED TOTALS				
Communications	\$ 58,041	\$ 902	\$ 17,376	\$ 76,319
Equipment and furnishings	3,130	(1)	918	4,047
Occupancy and operating	315,338	24,509	98,067	437,914
Professional services	5,647	23,058	1,319	30,024
Special projects	42,029	986	649	43,664
Staffing costs	1,698,388	91,094	395,814	2,185,296
Travel costs	<u>56,803</u>	<u>7,043</u>	<u>5,861</u>	<u>69,707</u>
	<u>\$ 2,179,376</u>	<u>\$ 147,591</u>	<u>\$ 520,004</u>	<u>\$ 2,846,971</u>

See accompanying notes to combined financial statements.

FREE PRESS AND FREE ACTION FUND

COMBINED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 61,792	\$ (689,778)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	22,915	22,915
Donated securities	(5,022)	(271)
(Increase) decrease in		
Contributions receivable	61,517	1,163,828
Accounts receivable	-	1,905
Prepaid expenses	(17,076)	2,427
Increase (decrease) in		
Accounts payable and accrued expenses	6,304	(10,404)
Accrued vacation	5,522	(34,652)
Deferred revenue	-	-
Net cash provided by operating activities	135,952	455,970
CASH FLOWS FROM INVESTING ACTIVITIES		
Maturities of certificate of deposits, net	-	805,473
Purchase of certificates of deposits	(49,470)	(1,251,148)
Proceeds from sale of investments	5,022	271
Net cash used for investing activities	(44,448)	(445,404)
NET INCREASE IN CASH AND CASH EQUIVALENTS	91,504	10,566
CASH AND CASH EQUIVALENTS		
Beginning of year	820,974	810,408
End of year	\$ 912,478	\$ 820,974

See accompanying notes to combined financial statements.

FREE PRESS AND FREE PRESS ACTION FUND
NOTES TO COMBINED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 1. ORGANIZATIONS AND NATURE OF OPERATION

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 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

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

Unrestricted Net Assets - Net assets not subject to donor-imposed stipulations. The Board has designated net assets for an Operating Reserve. As of December 31, 2015, the balance in the Operating Reserve was \$1,000,000.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Temporarily Restricted Net Assets - Net assets subject to donor-imposed restrictions that may/will be met by the Organizations and/or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organizations. Generally, the donors of these assets permit the Organizations to use all of part of the income earned and capital gains, if any, on related investments for general or specific purposes. The Organizations did not have any permanently restricted net assets at December 31, 2015 and 2014.

Unrestricted contributions and all revenues from exchange transactions are reported as increases in unrestricted net assets. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities, if any, are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Tax Exempt Status - Free Press is exempt from Federal income taxes as a public charity under Section 501(c)(3) of the Internal Revenue Code, 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 Internal Revenue Code and is similarly exempt from state income taxes under Massachusetts law; 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 Accounting Standards Codification (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, 2015 and 2014, 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. As of December 31, 2015, the statute of limitations for tax years 2012 through 2014 remains open with the U.S. federal jurisdiction and the state of Massachusetts. 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 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents - For reporting purposes, the Organizations consider all investments with original maturities of three months or less to be cash equivalents. In addition, cash equivalents include amounts on deposit with a financial institution that limits withdrawals to once per month.

Investments - All investments are reported at fair value.

Promises to Give - Unconditional promises to give are recognized as revenues or gains in the period 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.

Accounts Receivable - Accounts receivable are carried at their net realizable value. Management considers all current accounts receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they are charged to operations when that determination is made.

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.

Donated Securities - From time to time, the Organizations receive, as donations, financial securities. Revenue is recognized on such donations based on the market value at the time the donation is received, and is reported as a component of contributions. There were donated securities, during the years ended December 31, 2015 and 2014, in the amount of \$5,022 and \$271, respectively.

Functional Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the combined statements of activities and of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates - The preparation of this combined financial statements in conformity with U.S. generally accepted 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.

Reclassifications - Certain reclassifications have been made to the 2014 combined financial statements to conform to the 2015 presentation.

NOTE 3. PROMISES TO GIVE

As of December 31, 2015 and 2014, all of the Organizations' contributions receivable are due within one year.

Free Press received \$70,000 during 2014 in conditional promises to give that were conditioned on Free Press raising matching funds in the same amount. The matching funds could be in the form of contributions from new donors or additional contributions received from former donors. Matching contributions were received during 2014 sufficient to recognize the entire \$70,000, which is included in contributions receivable at December 31, 2014, and which was received in 2015.

During 2014, Free Press also received \$150,000 in conditional promises to give that were conditioned on Free Press hiring a Journalism Director and completing an evaluation plan for the Building Community around the News Project. Conditions were not met as of December 31, 2014, but were met during 2015. As such, the revenue has been recognized in 2015 when the conditions were met.

NOTE 4. INVESTMENTS

All of the Organizations' investments consist of amounts held in bank certificates of deposit. The investments are reported at estimated fair value based on the principal balances invested, since due to their relatively short maturities their interest rates approximate current market rates. Investment income reported in the combined statements of activities for the years ended December 31, 2015 and 2014 consists of interest of \$21,758 and \$16,246, respectively.

NOTE 5. 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 are described below:

Level 1 – Quoted prices in active markets for identical investments.

Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Significant unobservable inputs (including the Organizations' own assumptions in determining the fair value of investments).

At December 31, 2015 and 2014, all investments are measured at fair value using Level 2 inputs.

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Office furniture and equipment	\$ 30,746	\$ 30,746
Leasehold improvements	<u>229,146</u>	<u>229,146</u>
	259,892	259,892
Less: accumulated depreciation	<u>(223,301)</u>	<u>(200,386)</u>
	<u>\$ 36,591</u>	<u>\$ 59,506</u>

NOTE 7. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of December 31, 2015 and 2014 were subject to restriction as follows:

	<u>2015</u>	<u>2014</u>
Time-restricted	\$ 330,000	\$ 245,000
Net Neutrality Program	-	50,000
Public Media and Journalism Program	157,821	300,000
C. Edwin Baker Fellowship Program	<u>300,000</u>	<u>300,000</u>
	<u>\$ 787,821</u>	<u>\$ 895,000</u>

Net assets released from restriction during 2015 of \$682,179 resulted from the expiration of time restrictions in the amount of \$245,000 and the satisfaction of purpose restrictions in the amount of \$437,179. Net assets released from restriction during 2014 of \$1,884,025 resulted from the expiration of time restrictions in the amount of \$1,325,000 and the satisfaction of purpose restrictions in the amount of \$559,025.

NOTE 8. RETIREMENT BENEFITS

The Organizations contribute to a Simplified Employee Pension (SEP) Individual Retirement Account (IRA) for employees who are eligible for coverage under the plan. 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, 2015 and 2014 was \$43,912 and \$50,257, respectively.

NOTE 9. LEASES

The Organizations conduct their operations from facilities located in Florence, Massachusetts and Washington, D.C. The Florence lease expires on January 31, 2017. The Washington, D.C. lease is a seven-year lease commencing March 1, 2012 and expiring February 28, 2019. In addition to the base minimum rent, the Organizations are responsible for their pro-rata share of any increases in real estate taxes.

Future minimum lease payments by fiscal year are due as follows:

2016	\$ 233,644
2017	175,166
2018	176,029
2019	29,527

Rent expense for the years ended December 31, 2015 and 2014 was \$185,094 and \$187,151, respectively.

NOTE 10. CONCENTRATIONS

The Organizations maintain their cash, cash equivalents and certificates of deposit with two financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures deposits up to \$250,000 per depositor. The Organizations had cash balances on deposit with the financial institutions at December 31, 2015 that exceeded the balances insured by the FDIC by approximately \$1,338,000. 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 2015, approximately 78% of total contributions were received from eight donors, and amounts due from two donors comprised 98% of total contributions receivable as of December 31, 2015.

NOTE 11. SUBSEQUENT EVENTS

Subsequent events have been evaluated through April 21, 2016, which is the date the combined financial statements were available to be issued. This review and evaluation of subsequent events revealed no new material events or transactions which would require an additional adjustment to or disclosure in the accompanying combined financial statements.

SUPPLEMENTARY INFORMATION

FREE PRESS AND FREE ACTION FUND
COMBINING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2014)

	Free Press	Free Press Action Fund	Total	Eliminations	2015 Total	2014 Total
ASSETS						
Cash and cash equivalents	\$ 809,632	\$ 102,846	\$ 912,478	\$ -	\$ 912,478	\$ 820,974
Investments	957,266	206,265	1,163,531	-	1,163,531	1,137,713
Contributions receivable	329,614	7,031	336,645	-	336,645	396,488
Due from affiliate	113,200	-	113,200	(113,200)	-	-
Accounts receivable	36	-	36	-	36	1,710
Prepaid expenses	49,558	1,420	50,978	-	50,978	33,902
Affiliate advance	-	95,000	95,000	(95,000)	-	-
Property and equipment, net	36,591	-	36,591	-	36,591	59,506
Security deposit	20,290	-	20,290	-	20,290	20,290
Total assets	<u>\$ 2,316,187</u>	<u>\$ 412,562</u>	<u>\$ 2,728,749</u>	<u>\$ (208,200)</u>	<u>\$ 2,520,549</u>	<u>\$ 2,470,583</u>
LIABILITIES AND NET ASSETS						
LIABILITIES						
Accounts payable and accrued expenses	\$ 99,581	\$ 113,200	\$ 212,781	\$ (113,200)	\$ 99,581	\$ 105,885
Accrued vacation	62,133	-	62,133	-	62,133	67,655
Advance from affiliate	95,000	-	95,000	(95,000)	-	-
Total liabilities	<u>256,714</u>	<u>113,200</u>	<u>369,914</u>	<u>(208,200)</u>	<u>161,714</u>	<u>173,540</u>
NET ASSETS						
Unrestricted						
Undesignated	376,652	194,362	571,014	-	571,014	502,043
Board designated						
Operating reserve	900,000	100,000	1,000,000	-	1,000,000	900,000
Total unrestricted	<u>1,276,652</u>	<u>294,362</u>	<u>1,571,014</u>	<u>-</u>	<u>1,571,014</u>	<u>1,402,043</u>
Temporarily restricted	782,821	5,000	787,821	-	787,821	895,000
Total net assets	<u>2,059,473</u>	<u>299,362</u>	<u>2,358,835</u>	<u>-</u>	<u>2,358,835</u>	<u>2,297,043</u>
Total liabilities and net assets	<u>\$ 2,316,187</u>	<u>\$ 412,562</u>	<u>\$ 2,728,749</u>	<u>\$ (208,200)</u>	<u>\$ 2,520,549</u>	<u>\$ 2,470,583</u>

FREE PRESS AND FREE ACTION FUND
COMBINING STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2014)

	2015				2014		
	Unrestricted		Temporarily Restricted		Unrestricted	Temporarily Restricted	2014 Total
	Free Press	Free Press Action Fund	Free Press	Free Press Action Fund			
SUPPORT AND REVENUE							
Contributions	\$ 1,953,063	\$ 165,264	\$ 485,000	\$ -	\$ 896,619	\$ 652,000	\$ 1,548,619
Conference revenue	-	-	-	-	-	-	-
Collaborative projects	12,114	-	-	-	73,568	-	73,568
Membership	-	162,828	-	-	236,455	-	236,455
Internet	-	-	-	90,000	-	282,025	282,025
Investment income	18,208	3,719	-	-	16,526	-	16,526
Net assets released from restriction	547,179	135,000	(547,179)	(135,000)	1,884,025	(1,884,025)	-
Total support and revenue	2,530,564	466,811	(62,179)	(45,000)	3,107,193	(950,000)	2,157,193
EXPENSES							
Program services	1,728,894	416,326	-	-	2,179,376	-	2,179,376
Management and general	127,191	31,141	-	-	147,591	-	147,591
Fund raising	448,359	76,493	-	-	520,004	-	520,004
Total expenses	2,304,444	523,960	-	-	2,846,971	-	2,846,971
CHANGE IN NET ASSETS	226,120	(57,149)	(62,179)	(45,000)	260,222	(950,000)	(689,778)
NET ASSETS							
Beginning of year	1,050,532	351,511	845,000	50,000	1,141,821	1,845,000	2,986,821
End of year	\$ 1,276,652	\$ 294,362	\$ 782,821	\$ 5,000	\$ 1,402,043	\$ 895,000	\$ 2,297,043

FREE PRESS AND FREE ACTION FUND

COMBINING STATEMENT OF FUNCTIONAL EXPENSES

YEARS ENDED DECEMBER 31, 2015 AND 2014

	Program Services	Management and General	Fund Raising	2015 Total	2014 Total
FREE PRESS					
Communications	\$ 69,115	\$ 3,271	\$ 13,785	\$ 86,171	\$ 73,202
Equipment and furnishings	17,886	1,061	4,204	23,151	3,504
Occupancy and operating	270,615	19,006	78,251	367,872	361,301
Professional services	3,908	20,843	812	25,563	20,888
Special projects	36,985	627	744	38,356	43,189
Staffing costs	1,268,110	80,443	346,669	1,695,222	1,929,916
Travel costs	<u>62,275</u>	<u>1,940</u>	<u>3,894</u>	<u>68,109</u>	<u>69,301</u>
	<u>\$ 1,728,894</u>	<u>\$ 127,191</u>	<u>\$ 448,359</u>	<u>\$ 2,304,444</u>	<u>\$ 2,501,301</u>
FREE PRESS ACTION FUND					
Communications	\$ 16,081	\$ 580	\$ 2,092	\$ 18,753	\$ 3,117
Equipment and furnishings	3,477	164	527	4,168	543
Occupancy and operating	58,859	5,024	24,673	88,556	76,613
Professional services	1,567	11,543	125	13,235	9,136
Special projects	5,844	32	121	5,997	475
Staffing costs	323,343	13,754	48,822	385,919	255,380
Travel costs	<u>7,155</u>	<u>44</u>	<u>133</u>	<u>7,332</u>	<u>406</u>
	<u>\$ 416,326</u>	<u>\$ 31,141</u>	<u>\$ 76,493</u>	<u>\$ 523,960</u>	<u>\$ 345,670</u>
COMBINED TOTALS					
Communications	\$ 85,196	\$ 3,851	\$ 15,877	\$ 104,924	\$ 76,319
Equipment and furnishings	21,363	1,225	4,731	27,319	4,047
Occupancy and operating	329,474	24,030	102,924	456,428	437,914
Professional services	5,475	32,386	937	38,798	30,024
Special projects	42,829	659	865	44,353	43,664
Staffing costs	1,591,453	94,197	395,491	2,081,141	2,185,296
Travel costs	<u>69,430</u>	<u>1,984</u>	<u>4,027</u>	<u>75,441</u>	<u>69,707</u>
	<u>\$ 2,145,220</u>	<u>\$ 158,332</u>	<u>\$ 524,852</u>	<u>\$ 2,828,404</u>	<u>\$ 2,846,971</u>

FREE PRESS AND FREE ACTION FUND
COMBINING STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2014)

	Free Press	Free Press Action Fund	Eliminations	2015 Total	2014 Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Change in net assets	\$ 163,941	\$ (102,149)	\$ -	\$ 61,792	\$ (689,778)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities					
Depreciation	22,915	-	-	22,915	22,915
Donated securities	(5,022)	-	-	(5,022)	(271)
(Increase) decrease in Security sales pending settlement	-	-	-	-	-
Contributions and accounts receivable	58,298	3,219	-	61,517	1,163,828
Due from affiliate	(25,744)	-	25,744	-	-
Accounts receivable	-	-	-	-	1,905
Prepaid expenses	(17,057)	(19)	-	(17,076)	2,427
Increase (decrease) in Accounts payable and accrued expenses	6,304	25,744	(25,744)	6,304	(10,404)
Accrued vacation	5,522	-	-	5,522	(34,652)
Deferred revenue	-	-	-	-	-
Net cash provided by (used for) operating activities	<u>209,157</u>	<u>(73,205)</u>	<u>-</u>	<u>135,952</u>	<u>455,970</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Maturities of certificate of deposits, net	-	-	-	-	805,473
Purchases of certificates of deposits	(45,914)	(3,556)	-	(49,470)	(1,251,148)
Proceeds from sale of investments	5,022	-	-	5,022	271
Net cash provided by (used for) investing activities	<u>(40,892)</u>	<u>(3,556)</u>	<u>-</u>	<u>(44,448)</u>	<u>(445,404)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	168,265	(76,761)	-	91,504	10,566
CASH AND CASH EQUIVALENTS					
Beginning of year	<u>641,367</u>	<u>179,607</u>	<u>-</u>	<u>820,974</u>	<u>810,408</u>
End of year	<u>\$ 809,632</u>	<u>\$ 102,846</u>	<u>\$ -</u>	<u>\$ 912,478</u>	<u>\$ 820,974</u>