

EMBARCADERO MEDIA FOUNDATION

FINANCIAL STATEMENTS

**For the Year Ended
December 31, 2024**

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Independent Auditors' Report

Board of Directors
Embarcadero Media Foundation

Opinion

We have audited the accompanying financial statements of the Embarcadero Media Foundation, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Embarcadero Media Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Embarcadero Media Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Independent Auditors' Report (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Bregante + Company LLP

San Francisco, California

March 4, 2026

EMBARCADERO MEDIA FOUNDATION

STATEMENT OF FINANCIAL POSITION

December 31, 2024

ASSETS

Cash and cash equivalents	\$ 2,814,308
Accounts receivable, net	254,030
Other receivables	19,744
Grants and contributions receivable	288,101
Prepaid expenses and other assets	65,371
Deposits	13,569
Property and equipment, net	34,175
Operating leases right-of-use assets	<u>384,406</u>
Total assets	<u>\$ 3,873,704</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued expenses	\$ 71,715
Accrued payroll and compensated absences	182,142
Grants payable	2,000
Deferred subscription revenue and trade credits	492,327
Operating lease liabilities	<u>389,156</u>
Total liabilities	1,137,340
Net assets:	
Without donor restrictions	1,268,397
With donor restrictions	<u>1,467,967</u>
Total net assets	<u>2,736,364</u>
Total liabilities and net assets	<u>\$ 3,873,704</u>

See accompanying notes to the financial statements.

EMBARCADERO MEDIA FOUNDATION

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Grants and contributions	\$ 1,259,286	\$ 1,423,286	\$ 2,682,572
Contributed goods and services	93,600	-	93,600
Moonlight Run	-	98,681	98,681
Donation of business assets and liabilities	494,365	-	494,365
Community Journalism revenue	4,220,849	-	4,220,849
Interest income	26,106	-	26,106
Net assets released from restrictions	1,100,210	(1,100,210)	-
Total revenue and support	7,194,416	421,757	7,616,173
Expenses:			
Program	5,153,920	-	5,153,920
General and administrative	990,137	-	990,137
Fundraising	47,523	-	47,523
Total expenses	6,191,580	-	6,191,580
Change in net assets	1,002,836	421,757	1,424,593
Net assets, beginning of year	265,561	1,046,210	1,311,771
Net assets, end of year	\$ 1,268,397	\$ 1,467,967	\$ 2,736,364

See accompanying notes to the financial statements.

EMBARCADERO MEDIA FOUNDATION

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2024

Cash flows from operating activities:	
Changes in net assets	\$ 1,424,593
Adjustments to reconcile change in net assets to cash provided by operating activities:	
Depreciation	5,746
Donation of property and equipment	(25,000)
Reduction in the carrying value of operating leases right-of-use assets	32,217
(Increase) decrease in assets:	
Accounts receivable, net	(254,030)
Other receivables	(19,744)
Grants and contributions receivable	114,288
Prepaid expenses and other assets	(65,371)
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	71,715
Accrued payroll and compensated absences	182,142
Grants payable	2,000
Deferred subscription revenue and trade credits	492,327
Operating lease liabilities	<u>(27,467)</u>
Total adjustments	<u>508,823</u>
Net cash provided by operating activities	<u>1,933,416</u>
Cash flows from investing activities:	
Increase in deposits	(13,569)
Property and equipment purchases	<u>(14,921)</u>
Net cash used by investing activities	<u>(28,490)</u>
Net increase in cash	1,904,926
Cash and cash equivalents, beginning of year	<u>909,382</u>
Cash and cash equivalents, end of year	<u>\$ 2,814,308</u>

See accompanying notes to the financial statements.

EMBARCADERO MEDIA FOUNDATION
STATEMENT OF CASH FLOWS (continued)
For the Year Ended December 31, 2024

Supplemental disclosure of noncash operating activities:

On January 1, 2024, Embarcadero Media Foundation recognized \$416,623 right-of-use assets and \$416,623 lease liabilities for two operating leases.

Supplemental disclosure of noncash investing and financing activities:

On January 1, 2024, Embarcadero Media Foundation received a donation of business property and equipment with a fair market value of \$25,000 (see Note I).

Embarcadero Media Foundation received the free use of office space valued at \$93,600 during the year ended December 31, 2024.

See accompanying notes to the financial statements.

EMBARCADERO MEDIA FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2024

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Salaries and benefits	\$ 2,767,105	\$ 606,699	\$ 19,772	\$ 3,393,576
Grants awarded	1,100,210	-	-	1,100,210
Printing and mailing	736,008	-	-	736,008
Payroll tax	191,364	44,084	1,689	237,137
Rent	40,043	76,226	19,056	135,325
Repair and maintenance	76,326	47,035	-	123,361
Freelance editorial	118,948	-	-	118,948
Dues and subscriptions	14,995	99,432	49	114,476
Marketing and promotion	52,840	2,589	3,765	59,194
Professional services	9,476	44,083	-	53,559
Meals and entertainment	15,952	11,204	2,884	30,040
Office supplies	19,209	9,157	308	28,674
Telephone expense	-	21,657	-	21,657
General liability insurance	-	18,122	-	18,122
Auto and gas expense	4,375	2,208	-	6,583
Depreciation	-	5,746	-	5,746
Postage expense	3,986	455	-	4,441
Utilities	796	1,236	-	2,032
Conferences and seminars	1,050	-	-	1,050
Outside data services	804	-	-	804
Equipment rental	433	204	-	637
Total expenses	\$ <u>5,153,920</u>	\$ <u>990,137</u>	\$ <u>47,523</u>	\$ <u>6,191,580</u>
	83%	16%	1%	100%

See accompanying notes to the financial statements.

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

NOTE A -- Description of organization

The Embarcadero Media Foundation (EMF) is a public charitable organization established on April 13, 2020 and is exempt from federal income taxes under Section 501(c)(3). The mission of EMF is to enhance the quality of life and public engagement in the San Francisco Bay Area by supporting accurate and professional local news coverage of the region; increasing in-depth and investigative reporting; making grants to nonprofit organizations in need of social and human services to their communities; conducting public educational events and forums on local issues; and litigating against agencies that are not complying with California's public records act and open meeting laws.

EMF fulfills its mission through two primary programs: Community Journalism and The Holiday Fund.

The Community Journalism program encompasses three printed weekly newspapers and seven local news websites covering the MidPeninsula and the East Bay's Tri-Valley. The primary goals of EMF's Community Journalism program are to build community through events and the promotion of local business, keep the community informed with investigative reporting, and hold the government accountable.

EMF's printed weekly newspapers include the Palo Alto Weekly, Almanac, and Pleasanton Weekly. Online news websites include the Palo Alto Online, Almanac Online, Mountain View Voice, Redwood City Pulse, Pleasanton Online, DanvilleSanRamon.com, and Livermore Vine.

The Holiday Fund is a group of annual three-month long campaigns hosted by EMF to raise funds for other nonprofit organizations on the Peninsula. One hundred percent of donation proceeds to the Holiday Funds are distributed to grantees as determined by a grant committee. EMF organizes Holiday Fund campaigns for Palo Alto, Menlo Park, Mountain View, and Pleasanton.

NOTE B -- Summary of significant accounting policies

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposits with commercial banks and money market funds. EMF considers certificates of deposit and investments with a maturity of three months or less at the time of purchase to be cash equivalents.

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2024

NOTE B -- Summary of significant accounting policies (continued)

Accounts receivable, net

Accounts receivable are amounts expected to be received for consumer, advertising and sponsorship revenue from Community Journalism activities, and are recorded at net realizable value less allowance for credit losses. EMF estimates an allowance for credit loss based on the age of receivable balance. Accounts receivable at December 31, 2024 totaled \$263,376 with an allowance for credit loss of \$9,346. Trade credits are generally extended on a short-term basis and do not bear interest.

Grants and contributions receivable

Grants and contributions receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional grants and contributions receivable expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the Statement of Activities and Changes in Net Assets. Conditional grants and contributions receivable are not included as support until the conditions are substantially met. EMF did not receive conditional grants during the year ended December 31, 2024.

Property and equipment, net

EMF's property and equipment are carried at cost or, if donated, at estimated fair value on the date of the gift. Property and equipment with an original cost or fair market value in excess of \$1,000 and estimate useful life of three to five years are capitalized. Depreciation on property and equipment is calculated using the straight-line method over the estimated useful lives of five years.

Net assets

EMF classifies its net assets and activities into one of two categories:

Without donor restrictions: Those net assets and activities which represent the portion of expendable funds available to support operations. A portion of these net assets may be designated by the Board of Directors for specific purposes.

With donor restrictions: Those net assets and contributions which are donor-restricted for: (a) support of specific operating activities; (b) investment for a specified term; (c) use in a specified future period; or (d) acquisition of long-lived assets. Donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor.

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2024

NOTE B -- Summary of significant accounting policies (continued)

Net assets (continued)

The expiration of a donor-imposed restriction on a contribution is recognized in the period in which the restriction expires. This occurs by increasing net assets without donor restrictions and decreasing net assets with donor restrictions in the Statement of Activities and Changes in Net Assets and the release from restrictions is reported separately from other transactions.

Grants and contributions

EMF recognizes grants and contributions when cash, securities or other assets, or an unconditional promise to give is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. Net assets with donor restrictions are released to net assets without donor restrictions when restrictions are satisfied.

Contributed goods and services

Contributions of goods are recognized at fair value when received. Contributions of services are recognized at fair value when received if such services create or enhance nonfinancial assets or requiring specialized skills are provided by individuals possessing those skills and would typically need to be purchased if not donated.

Community Journalism revenue

Program revenue from EMF's Community Journalism program consist principally of fees from print and online advertising, sponsorships, and subscriptions to EMF's newspapers and websites. Print and online advertising revenue is recognized as of the publication date.

Revenue received in advance for newspaper subscriptions and community membership support is recorded as deferred subscription revenue and is recognized ratably over the subscription or membership period, which is generally one year. Deferred subscription revenue was \$255,492 at December 31, 2024.

Revenue received in advance for print and online advertising is recorded as trade credits and is recognized as revenue upon completion of performance obligations. Trade credits were \$236,835 at December 31, 2024.

Advertising

Advertising is expensed in the period incurred. Advertising expense is reported as marketing and promotion on the Statement of Functional Expenses. Marketing and promotion expense was \$59,194 for the year ended December 31, 2024.

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2024

NOTE B -- Summary of significant accounting policies (continued)

Income taxes

EMF is exempt from federal and California income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. Therefore, no provision for federal or California income tax is reflected in the financial statements.

EMF receives advertising income which is unrelated to its exempt purposes. This income may be subject to unrelated business income tax (UBIT). The receipt and use of unrelated income for EMF's tax-exempt purposes does not disqualify the income from potentially being taxable as unrelated business income. It is the source of the income that determines the distinction, not the use of funds.

EMF recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. EMF does not believe its financial statements include any uncertain tax positions. EMF's returns are subject to examination by federal and state tax authorities, generally for three years and four years, respectively, after they are filed.

Functional allocation of expenses

The costs of providing the program services and supporting activities are reported on the Statement of Functional Expenses. Expenses that can be directly identified with a specific function are allocated directly to that function. Expenses that cannot be directly identified with a specific function are allocated among the program services and supporting activities based on allocation methods and estimates made by management.

Grants awarded

Grants awarded with an unconditional promise to give are accrued as a liability and expensed when approved by the Board. Grant cancellations or unspent funds are recorded in the year cancelled or returned.

Grants payable consists of approved single-year grant commitments to be paid by December 31, 2025.

Use of estimates

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

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2024

NOTE B -- Summary of significant accounting policies (continued)

Concentration of credit risk

Financial instruments that potentially subject EMF to concentrations of credit risk consist principally of cash and cash equivalents and all receivables. EMF maintains its cash balances with two financial institutions. Balances in these accounts may exceed federally insured limits. EMF has not experienced any losses in these accounts and management believes it is not exposed to any significant credit risk.

Adoption of new accounting standards

EMF has adopted Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) 842, Leases, with a date of initial application of January 1, 2024. For leases with a lease term greater than one year, EMF recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation. EMF determines whether an arrangement is or contains a lease at contract inception. Operating leases with durations greater than one year are included in operating lease right-of-use assets and operating lease liabilities on the Statement of Financial Position at December 31, 2024. Operating lease right-of-use assets and operating lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. EMF considers the lease term to be the noncancelable period that it has the right-of-use the underlying asset, including all periods covered by an option to (1) extend the lease if EMF is reasonably certain to exercise the option, (2) terminate the lease if EMF is reasonably certain not to exercise that option, and (3) extend, or not to terminate, the lease in which exercise of the option is controlled by the lessor.

The operating lease right-of-use assets also include any lease payments made and exclude lease incentives received or receivable. Lease expense is recognized on a straight-line basis over the expected lease term. Variable lease expenses are recorded when incurred.

EMF elected the transition relief package of practical expedients by applying previous accounting conclusions under FASB ASC 840, Leases, to all leases that existed prior to the transition date. As a result, EMF did not reassess (i) whether existing or expired contracts contain leases, (ii) lease classification for any existing or expired leases, or (iii) whether lease origination costs qualified as initial direct costs. EMF did not elect the hindsight practical expedient, which permits the use of hindsight when determining lease term and impairment of right-of-use assets.

ASC Topic 842 similarly includes various other practical expedients that can be elected for new leases that are executed after the adoption of the new requirements. EMF elected the practical expedient as not to separate lease and non-lease components. EMF also elected to apply the short-term recognition exemption which eliminates the requirement to present leases on the Statement of Financial Position with terms of twelve months or less. These two practical expedients were elected for all classes of underlying assets.

EMF uses the weighted-average discount rate, which is derived from information available at the lease commencement date, in determining the present value of the lease payments for all classes of lease assets.

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2024

NOTE B -- Summary of significant accounting policies (continued)

Adoption of new accounting standards (continued)

Adoption of the standard for EMF's operating lease agreements resulted in the recognition of operating lease right-of-use assets and operating lease liabilities of \$416,623 at January 1, 2024.

NOTE C -- Liquidity and availability of resources

EMF's financial assets available within one year of the Statement of Financial Position for general expenditures at December 31, 2024, are as follows:

Financial assets at year end:	
Cash and cash equivalents	\$ 2,814,308
Accounts receivable, net	254,030
Other receivables	19,744
Grants and contributions receivable	<u>288,101</u>
Total financial assets	3,376,183
Less amounts not available to be used within one year:	
Grants and contributions receivable - due after one year	<u>(100,000)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 3,276,183</u>

As part of liquidity management, EMF structures its financial assets consisting of cash and its program fees receivable, net, to be available for its general expenditures, liabilities and other obligations as they come due. EMF receives grant and contributions restricted by donors for the Holiday Fund program and to support specific news sites.

NOTE D -- Grants and contributions receivable

Grants and contributions receivable at December 31, 2024, are as follows:

Due within one year	\$ 188,101
Due in one to five years	<u>100,000</u>
Total	<u>\$ 288,101</u>

Contributions and grants receivable due in one to five years were not discounted to present value at December 31, 2024 because the discounts were not material.

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2024

NOTE E -- Property and equipment

Property and equipment at December 31, 2024, consist of the following:

Furniture and equipment	\$ 35,421
Automobile	<u>4,500</u>
	39,921
Less accumulated depreciation	<u>(5,746)</u>
Property and equipment, net	<u>\$ 34,175</u>

Depreciation expense for the year ended December 31, 2024, was \$5,746.

NOTE F -- Net assets with donor restrictions and net assets released from restrictions

Net assets with donor restrictions are available for the following at December 31, 2024:

Community Journalism	\$ 150,000
The Holiday Fund	<u>1,317,967</u>
Total net assets with donor restrictions	<u>\$ 1,467,967</u>

Net assets were released from donor restrictions during the year ended December 31, 2024, by incurring expenses satisfying the purpose of the restriction, or by the occurrence of other specific events as follows:

Community Journalism	\$ -
The Holiday Fund	<u>1,100,210</u>
Total net assets released from restrictions	<u>\$ 1,100,210</u>

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2024

NOTE G -- Lease commitments and contingencies

EMF occupies two facilities under operating leases for its East Bay office and Peninsula office. The East Bay office is located in Pleasanton, California with monthly payments of \$938 and is set to expire August 31, 2025. In 2025, the lease was subsequently extended through August 31, 2027. The Peninsula office is located in Palo Alto, California with monthly payments of \$11,700 and is set to expire November 30, 2027. Under the lease agreement, the monthly base rent is set to increase annually and EMF has three options to extend the lease for one year starting December 1, 2027 and ending November 30, 2030.

Lease term and discount rate

Weighted average remaining lease term (in years)	2.9
Weighted average discount rate	6.75%

Future minimum lease payments under the lease agreements are as follows:

<u>Years ending December 31,</u>	
2025	\$ 148,255
2026	144,974
2027	<u>136,543</u>
Subtotal	429,772
Less present value discount	<u>(40,616)</u>
Operating lease liabilities	<u>\$ 389,156</u>

Rent expense for EMF's offices totaled \$135,325 at December 31, 2024.

NOTE H -- Retirement plan

EMF sponsors a defined contribution plan (the Plan) under IRC Section 403(b) for its employees. Under the Plan, eligible employees must have reached age 21 and can start participating in the plan at the start of their employment. EMF may make discretionary matching contributions each plan year. EMF made no matching contributions to the Plan during the year ended December 31, 2024.

NOTE I -- Donation of business assets and liabilities

On January 1, 2024, Embarcadero Media, Inc., a for-profit corporation, donated certain business assets and transferred related liabilities to EMF. The donation included cash, receivables, prepaid expenses, deposits, property and equipment and the assumption accounts payable, deferred revenue, accrued payroll and compensated absences. The donation was accounted for as a contribution in accordance with U.S. GAAP.

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2024

NOTE I -- Donation of business assets and liabilities (continued)

The assets and liabilities donated were measured at their estimated fair values as of the date of donation. Fair value was determined using the net asset value method and the net assets transferred. The following table summarizes the fair values of the assets and liabilities transferred at January 1, 2024:

<u>Assets and liabilities:</u>	
Cash	\$ 774,984
Accounts receivable, net	307,212
Other receivables	9,620
Prepaid expenses and other assets	10,637
Deposits	16,869
Property and equipment	25,000
Accounts payable and accrued expenses	(30,412)
Accrued payroll and compensated absences	(141,605)
Deferred subscription revenue and trade credits	<u>(477,940)</u>
Net amount	<u>\$ 494,365</u>

NOTE J -- Related party disclosure

Embarcadero Media, Inc. is considered a related party due to common board members and significant influence. The donation of business assets and liabilities to EMF was at fair value and no consideration was exchanged. The nature of the relationship and the terms of the transaction are disclosed in accordance with U.S. GAAP.

In 2024, Embarcadero Media, Inc. provided EMF rent concession for occupancy of its office space. The rent was recorded as contributed goods and services on the Statement of Activities and Changes in Net Assets. Rent concession was \$93,600 for the year ended December 31, 2024.

NOTE K -- Contributed good and services

Contributed goods and services recognized as support in the Statement of Activities and Changes in Net Assets for the year ended December 31, 2024 are as follows:

Property and equipment (see Note I)	\$ 25,000
Rent	<u>93,600</u>
Total	<u>\$ 118,600</u>

Contributions of goods are recognized at fair value when received. During the year ended December 31, 2024, the value of contributed goods included in contributed goods and services in the accompanying financial statements was \$118,600.

EMBARCADERO MEDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2024

NOTE K -- Contributed good and services (continued)

EMF recognized property and equipment in revenue and support with no donor restrictions. The fair market value of the donated property and equipment included an automobile valued at \$4,500, office equipment value at \$12,300, and production equipment valued at \$8,200. The property and equipment is utilized in EMF's Community Journalism program.

EMF recognized rent in revenue and support with donor restrictions for EMF's Community Journalism program. The fair market value of the rent concession was valued at \$93,600. The value of the rent concession is included in rent expense on the Statement of Functional Expenses. The total rent concession was released from donor restrictions during the year ended December 31, 2024.

NOTE L -- Moonlight Run

On September 20, 2024, EMF held the 40th Palo Alto Weekly Moonlight Run & Walk, raising funds for The Holiday Fund through sponsorships and participant entry fees. Participants received t-shirts and refreshments. The following table summarizes the revenues and expenses associated with the event as of December 31, 2024:

Sponsorships	\$ 51,500
Entry fees	128,136
Direct donor benefits	(40,053)
Other direct expenses	<u>(40,902)</u>
Net proceeds	<u>\$ 98,681</u>

NOTE M -- Subsequent events

The date to which events occurring after December 31, 2024, have been evaluated for possible adjustments to the financial statements or disclosure is March 4, 2026, which is the date on which the financial statements were available to be issued.