

Trent Radio

Financial Statements

August 31, 2025

Trent Radio

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Jason D. Watson Professional Corp.

CHARTERED PROFESSIONAL ACCOUNTANT

294 Rink Street, Suite 100, Peterborough, ON K9J 2K2

Tel: 705-742-2308, Fax: 705-748-4824

www.ca4you.ca

Independent Audit Report

To the Board of Trent Radio

We have audited the accompanying financial statements of Trent Radio ("Organization"), which comprise the statement of financial position as at August 31, 2025, and the statements of operations, net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Managements Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Independent Audit Report (continued)

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations and fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the audit. As well as seen in note 2e, the Organization receives contributed services from volunteers that we are unable to accurately place a value upon. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were unable to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended August 31, 2025, current assets and net assets as at August 31, 2025.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Trent Radio as at August 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements for the year ended August 31, 2024, were reviewed, not audited. The comparative figures shown on these financials for 2024 are presented for information purposes only and have not been audited.

Jason D. Watson
PROFESSIONAL CORPORATION

Chartered Professional Accountant authorized to
practise public accounting by the Institute of
Chartered Professional Accountants of Ontario

**Peterborough, Ontario
December 1st, 2025**

Trent Radio

Statement of Financial Position

August 31, 2025

	Note	2025	2024
Assets			
Current Assets			
Cash		\$ 292,447	\$ 204,404
Accounts receivable		168,358	159,773
Promissory note	4.	100,000	75,000
Prepays		3,567	2,999
Public Service Bodies (PSB) rebate recoverable		4,971	5,802
Total Current Assets		569,343	447,978
Investments	5.	36,364	-
Property and equipment	6.	83,973	91,916
Total Assets		\$ 689,680	\$ 539,894
Liabilities and Net Assets			
Current Liabilities			
Accounts payable and accrued liabilities		\$ 8,679	\$ 10,212
Vacation payable		3,381	2,966
Deferred contributions	7.	116,267	150
Total Current Liabilities		128,327	13,328
Net Assets			
Unrestricted funds		477,380	434,650
Invested in capital assets		83,973	91,916
Total Net Assets		561,353	526,566
Total Liabilities and Net Assets		\$ 689,680	\$ 539,894

Approved on Behalf of the Board:

The accompanying notes are an integral part of these financial statements.

Trent Radio

Statement of Operations

For the Year Ended August 31, 2025

	Note	2025	2024
Revenue			
Membership fees		\$ 228,378	\$ 221,967
Management services - Trent Annual	8.	164,571	151,393
Grants	9.	49,673	126,241
Donations and fundraising		32,516	18,923
Sponsorships and on-airtime sales		12,472	7,264
Production services and merchandise sales		2,960	2,781
Total revenue		490,570	528,569
Operating expenses			
Salaries and wages		275,831	311,030
Production and management expenses		113,463	82,212
Repairs and maintenance		15,928	13,076
Office expenses		14,264	18,129
Professional fees		8,076	5,121
Amortization of property and equipment		7,944	8,220
Memberships and licenses		6,111	6,627
Utilities		6,103	4,909
Sub-contracts		5,800	18,274
Insurance		4,255	4,188
Advertising and promotion		1,524	4,726
Supplies		1,066	1,568
Artist fees and honoraria		950	12,000
Interest and bank charges		250	388
Delivery, freight and postage		163	19
Total operating expenses		461,728	490,487
Non operating revenue and expenses			
Interest income		5,945	49
Rental income		-	7,315
Excess (deficiency) of revenue over expenditures		\$ 34,787	\$ 45,446

The accompanying notes are an integral part of these financial statements.

Trent Radio

Statement of Net Assets

For the Year Ended August 31, 2025

	Unrestricted		Invested in capital assets		2025	2024
Balance, beginning of year	\$	434,650	\$	91,916	\$ 526,566	\$ 481,120
Excess (deficiency) of revenue over expenditures		42,730		(7,943)	34,787	45,446
Balance, end of year	\$	477,380	\$	83,973	\$ 561,353	\$ 526,566

The accompanying notes are an integral part of these financial statements.

Trent Radio

Statement of Cash Flows

For the Year Ended August 31, 2025

	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:			
Excess (deficiency) of revenue over expenditures	\$	34,787	\$ 45,446
Amortization		7,944	8,220
(Increase) decrease in accounts receivable		(33,586)	(148,741)
(Increase) decrease in prepaids		(568)	(182)
(Increase) decrease in Public Service Bodies (PSB) rebate recoverable		831	(1,359)
Increase (decrease) in accounts payable and accrued liabilities		(1,533)	3,258
Increase (decrease) in wages payable		415	10,712
Increase (decrease) in deferred contributions		116,117	(24,146)
Increase (decrease) in government remittances payable		-	(6,002)
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES		124,407	(112,794)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment		-	(10,166)
Purchase of investments		(36,364)	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
OTHER ACTIVITIES:			
Net cash increase (decreases) in cash and cash equivalents		88,043	(122,960)
Cash and cash equivalents at beginning of period		204,404	327,364
Cash and cash equivalents at end of period	\$	292,447	\$ 204,404

The accompanying notes are an integral part of these financial statements.

Trent Radio

Notes to the Financial Statements

For the Year Ended August 31, 2025

1. Nature of operations

Trent Radio is primarily sponsored and operated by the Trent University students. The organization is a nonprofit cultural and educational radio broadcasting to Peterborough and the Kawarthas as CFFFFM, 92.7 FM.

The organization was incorporated on January 16, 1978, without share capital under the laws of Ontario. The registered charity as defined under the Income Tax Act (Canada) is exempt from income tax.

2. Significant Accounting Policies

The organization applies the Canadian accounting standards for not-for-profit enterprises.

a. Property and equipment

Property and equipment are statement at cost. Contributed property and equipment is stated at fair market value at the date of contribution.

Amortization is provided on a straight line basis over the assets estimated useful lives, which is 25 years for the building and 7 years for the equipment.

b. Financial instruments

i. Measurement of financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, PSB rebate recoverable, and property and equipment.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, vacation payable, and deferred contributions.

Trent Radio

Notes to the Financial Statements

For the Year Ended August 31, 2025

2. Significant Accounting Policies (continued)

b. Financial instruments (continued)

ii. Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in excess (deficiency) of revenue over expenditures. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;
- the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in excess (deficiency) of revenue over expenditures up to the amount of the previously recognized impairment.

c. Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership and rental income are recognized over the terms of service.

Production and management fees are earned as services are performed under the Trent Student Annual Publication Corporation (TSAPC) agreement.

d. Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for notforprofit organizations 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. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are accounts payable and accrued liabilities, accounts receivable, PSB rebate, deferred contributions, and vacation payable.

Trent Radio

Notes to the Financial Statements

For the Year Ended August 31, 2025

2. Significant Accounting Policies (continued)

e. Contributed services

Volunteers contribute their time to assist the organization in carrying out its programs. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

3. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

a. Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. Their carrying value based on the presumption that the organization is a going concern and thus expects to fully repay the outstanding amounts.

b. Credit risk

The organization does have credit risk in accounts receivable \$168,358 (2024-\$159,773). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The organization reduces its exposure to credit risk by performing credit valuations on a regular basis, granting credit upon a review of the credit history of the applicant and creating an allowance for bad debts when applicable. The organization maintains strict credit policies and limits in respect to counterparties. In the opinion of management, the credit risk exposure to the organization is low due to the financial stability of their funder Trent University.

c. Liquidity risk

The organization does have a liquidity risk in the accounts payable and accrued liabilities and employee remittances of \$11,964 (2023-\$22,722). Liquidity risk is the risk that the organization cannot repay its obligations when they become due to its creditors. The organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate credit to repay trade creditors as they become due. In the opinion of management, the liquidity risk exposure to the organization low.

Trent Radio

Notes to the Financial Statements

For the Year Ended August 31, 2025

4. Promissory note

During the year, the organization (lender) signed a one year loan agreement with Habitat for Humanity Peterborough & Kawartha Region (borrower) beginning subsequent to the year end on September 1, 2025. The principal amount of the loan is \$100,000 with an annual interest rate of 4.5% and an initial principal repayment date of August 31, 2026. Interest payments as per the terms of the agreement are, \$1,504 due on December 2, 2025, and \$2,996 due August 31, 2026. As at August 31, 2025, the organization had already transferred the funds to Habitat for Humanity prior to the promissory notes start date. Therefore, it has been included on the statement of financial position as a current asset with no interest to accrue.

5. Investments

	2025	2024
Long-term		
Guaranteed investment certificate, 4.1%, maturing September 18, 2026	\$ 36,364	\$ -

6. Property and equipment

Property and equipment consist of the following:

	2025		2024	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Land	\$ 10,000	\$ -	\$ 10,000	\$ 10,000
Land improvements	213,566	(162,929)	50,637	52,747
Equipment	353,564	(333,788)	19,776	24,719
Office equipment	28,500	(24,940)	3,560	4,450
Total	\$ 605,630	\$ (521,657)	\$ 83,973	\$ 91,916

Trent Radio

Notes to the Financial Statements

For the Year Ended August 31, 2025

7. Deferred contributions

Deferred contributions represent unspent restricted operating funding received in the current year that is related to the subsequent year.

	2025	2024
Federal Enabling Accessibility Grant	\$ 115,117	\$ -
Memberships	150	150
Fundraising and sponsorships	1,000	-
	\$ 116,267	\$ 150

During the year, Trent Radio entered into a funding agreement with the Federal government to help improve the building's accessibility. The proposed project consists of constructing an accessible exterior ramp and accessible entrance to ensure accessibility for persons with disabilities. Per the agreement, the project is to be completed by March 16, 2027. As of the year end, Trent Radio had not yet incurred any expenditures relating to the project.

8. Trent annual yearbook

Trent Radio has been appointed by the Trent Student Annual Publication (TSAPC) to manage and administer the affairs of TSAPC. As such, Trent Radio receives an annual sum from TSAPC and incurs costs in relation to management and administration.

	2025	2024
Production and management fees	\$ 164,571	\$ 151,393
Production and management expenses	(113,463)	(82,212)
	\$ 51,108	\$ 69,181

Production and management fees include amounts related to salaries and benefits, which have been reclassified on the statement of operations to show the complete production and management costs associated with the yearbook.

Trent Radio

Notes to the Financial Statements

For the Year Ended August 31, 2025

9. Grants

	2025	2024
Trent Work Study Program - Provincial	\$ 20,936	\$ 21,301
Community Radio Fund of Canada - Federal	18,331	88,722
Canada Summer Jobs - Federal	5,406	6,318
Community Investment Grants - Municipal	5,000	9,900
	\$ 49,673	\$ 126,241

10. Economic dependence

Membership fees consist of student fees levied from fulltime students enrolled at the Trent University Peterborough campus during the fall and winter semesters. Trent Radio relies on the University to levy the appropriate fees from the students.

11. Comparative figures

The comparative financial statements have been reclassified from financial statements previously issued to conform to the current year presentation.