

*INSIDE CLIMATE NEWS INC.*

*FINANCIAL STATEMENTS*

*YEARS ENDED  
DECEMBER 31, 2025 AND 2024*

***INSIDE CLIMATE NEWS INC.***

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**INDEPENDENT AUDITOR'S REPORT**

**Board of Directors**  
***Inside Climate News Inc.***  
**Brooklyn, New York**

**Opinion**

We have audited the accompanying financial statements of ***Inside Climate News Inc.***, which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years 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 ***Inside Climate News Inc.*** as of December 31, 2025 and 2024, and the changes in its net assets and its 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 Financial Statements section of our report. We are required to be independent of ***Inside Climate News Inc.*** 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 ***Inside Climate News Inc.'s*** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditor's 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 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 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.

#### **Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- 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 *Inside Climate News Inc.'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 *Inside Climate News Inc.'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.

*Buffamante Whipple Buttafaro PC*

**BUFFAMANTE WHIPPLE BUTTAFARO, P.C.**

**Jamestown, New York  
June 24, 2026**

**INSIDE CLIMATE NEWS INC.**  
**STATEMENTS OF FINANCIAL POSITION**

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**As of December 31,**

|                                                 | <b>2025</b>         | <b>2024</b>         |
|-------------------------------------------------|---------------------|---------------------|
| <b>Assets</b>                                   |                     |                     |
| <b>Current</b>                                  |                     |                     |
| Cash and cash equivalents                       | \$ 3,508,458        | \$ 2,720,903        |
| Grants and contributions receivable, short-term | 1,508,454           | 2,359,948           |
| Prepaid expenses                                | 49,302              | 51,869              |
| Total current assets                            | <b>5,066,214</b>    | <b>5,132,720</b>    |
| <b>Non-current</b>                              |                     |                     |
| Grants and contributions receivable, long-term  | 196,160             | 656,160             |
| Security deposits                               | 7,000               | 7,000               |
| Right-of-use asset, net                         | 47,338              | 87,914              |
| Fixed assets, net                               | 3,029               | 5,462               |
| Total non-current assets                        | <b>253,527</b>      | <b>756,536</b>      |
|                                                 | <b>\$ 5,319,741</b> | <b>\$ 5,889,256</b> |
| <b>Liabilities and Net Assets</b>               |                     |                     |
| <b>Current liabilities</b>                      |                     |                     |
| Accounts payable and accrued expenses           | \$ 93,078           | \$ 83,990           |
| Current portion of lease liability              | 43,051              | 40,033              |
| Total current liabilities                       | <b>136,129</b>      | <b>124,023</b>      |
| <b>Lease liability, net current portion</b>     | <b>7,388</b>        | <b>50,439</b>       |
| Total liabilities                               | <b>143,517</b>      | <b>174,462</b>      |
| <b>Net assets</b>                               |                     |                     |
| Without donor restrictions                      | 2,883,814           | 1,918,544           |
| With donor restrictions                         | 2,292,410           | 3,796,250           |
| Total net assets                                | <b>5,176,224</b>    | <b>5,714,794</b>    |
|                                                 | <b>\$ 5,319,741</b> | <b>\$ 5,889,256</b> |

**See accompanying independent auditor's report and notes to financial statements.**

**INSIDE CLIMATE NEWS INC.**  
**STATEMENTS OF ACTIVITIES**

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*Years ended December 31,*

|                                       | 2025                          |                            |                         | 2024                          |                            |                         |
|---------------------------------------|-------------------------------|----------------------------|-------------------------|-------------------------------|----------------------------|-------------------------|
|                                       | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                   | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                   |
| <b>Support and Revenue</b>            |                               |                            |                         |                               |                            |                         |
| Grants and contributions              | \$ 2,838,238                  | \$ 1,283,750               | \$ 4,121,988            | \$ 3,309,737                  | \$ 3,161,250               | \$ 6,470,987            |
| Program income                        | 27,776                        | --                         | 27,776                  | 18,873                        | --                         | 18,873                  |
| Investment income                     | 110,777                       | --                         | 110,777                 | 86,318                        | --                         | 86,318                  |
| Miscellaneous income                  | 6,400                         | --                         | 6,400                   | --                            | --                         | --                      |
| Net assets released from restrictions | 2,787,590                     | (2,787,590)                | --                      | 1,320,000                     | (1,320,000)                | --                      |
| <br>Total support and revenue         | <br><b>5,770,781</b>          | <br><b>(1,503,840)</b>     | <br><b>4,266,941</b>    | <br><b>4,734,928</b>          | <br><b>1,841,250</b>       | <br><b>6,576,178</b>    |
| <b>Expenses</b>                       |                               |                            |                         |                               |                            |                         |
| Program services                      | 4,104,431                     | --                         | 4,104,431               | 3,316,389                     | --                         | 3,316,389               |
| Management and general                | 256,143                       | --                         | 256,143                 | 209,016                       | --                         | 209,016                 |
| Fundraising                           | 444,937                       | --                         | 444,937                 | 367,825                       | --                         | 367,825                 |
| <br>Total expenses                    | <br><b>4,805,511</b>          | <br><b>--</b>              | <br><b>4,805,511</b>    | <br><b>3,893,230</b>          | <br><b>--</b>              | <br><b>3,893,230</b>    |
| <br><b>Change in net assets</b>       | <br><b>965,270</b>            | <br><b>(1,503,840)</b>     | <br><b>(538,570)</b>    | <br><b>841,698</b>            | <br><b>1,841,250</b>       | <br><b>2,682,948</b>    |
| <br><b>Net assets, beginning</b>      | <br>1,918,544                 | <br>3,796,250              | <br>5,714,794           | <br>1,076,846                 | <br>1,955,000              | <br>3,031,846           |
| <br><b>Net assets, ending</b>         | <br><b>\$ 2,883,814</b>       | <br><b>\$ 2,292,410</b>    | <br><b>\$ 5,176,224</b> | <br><b>\$ 1,918,544</b>       | <br><b>\$ 3,796,250</b>    | <br><b>\$ 5,714,794</b> |

*See accompanying independent auditor's report and notes to financial statements.*

**INSIDE CLIMATE NEWS INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**

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**Years ended December 31,**

|                                            | 2025                |                              |                   |                     | 2024                |                              |                   |                     |
|--------------------------------------------|---------------------|------------------------------|-------------------|---------------------|---------------------|------------------------------|-------------------|---------------------|
|                                            | Program<br>Services | Management<br>and<br>General | Fundraising       | Total<br>Expenses   | Program<br>Services | Management<br>and<br>General | Fundraising       | Total<br>Expenses   |
| <b>Salaries and fringe benefits</b>        |                     |                              |                   |                     |                     |                              |                   |                     |
| Salaries                                   | \$ 2,846,598        | \$ 200,666                   | \$ 338,584        | \$ 3,385,848        | \$ 2,310,358        | \$ 162,864                   | \$ 274,802        | \$ 2,748,024        |
| Payroll taxes and fringe benefits          | 459,709             | 32,406                       | 54,680            | 546,795             | 369,821             | 26,070                       | 43,987            | 439,878             |
| <b>Total salaries and related expenses</b> | <b>3,306,307</b>    | <b>233,072</b>               | <b>393,264</b>    | <b>3,932,643</b>    | <b>2,680,179</b>    | <b>188,934</b>               | <b>318,789</b>    | <b>3,187,902</b>    |
| <b>Other expenses</b>                      |                     |                              |                   |                     |                     |                              |                   |                     |
| Consultants                                | 51,708              | 1,564                        | 15,383            | 68,655              | 61,484              | 1,860                        | 18,291            | 81,635              |
| Occupancy                                  | 37,237              | 2,625                        | 4,429             | 44,291              | 37,000              | 2,608                        | 4,401             | 44,009              |
| Outside writers and editors                | 423,769             | --                           | --                | 423,769             | 302,723             | --                           | --                | 302,723             |
| Travel                                     | 136,818             | 9,645                        | 16,273            | 162,736             | 95,218              | 6,712                        | 11,326            | 113,256             |
| Internet and web development               | 63,771              | 4,495                        | 7,586             | 75,852              | 64,573              | 4,552                        | 7,680             | 76,805              |
| Accounting and auditing                    | 20,661              | 1,456                        | 2,458             | 24,575              | 21,376              | 1,507                        | 2,542             | 25,425              |
| Office and miscellaneous                   | 32,573              | 2,296                        | 3,874             | 38,743              | 30,611              | 2,158                        | 3,641             | 36,410              |
| Insurance                                  | 11,996              | 846                          | 1,427             | 14,269              | 6,897               | 486                          | 820               | 8,203               |
| Promotion                                  | 17,545              | --                           | --                | 17,545              | 13,512              | --                           | --                | 13,512              |
| <b>Total other expenses</b>                | <b>796,078</b>      | <b>22,927</b>                | <b>51,430</b>     | <b>870,435</b>      | <b>633,394</b>      | <b>19,883</b>                | <b>48,701</b>     | <b>701,978</b>      |
| <b>Depreciation</b>                        | <b>2,046</b>        | <b>144</b>                   | <b>243</b>        | <b>2,433</b>        | <b>2,816</b>        | <b>199</b>                   | <b>335</b>        | <b>3,350</b>        |
| <b>Total expenses</b>                      | <b>\$ 4,104,431</b> | <b>\$ 256,143</b>            | <b>\$ 444,937</b> | <b>\$ 4,805,511</b> | <b>\$ 3,316,389</b> | <b>\$ 209,016</b>            | <b>\$ 367,825</b> | <b>\$ 3,893,230</b> |

*See accompanying independent auditor's report and notes to financial statements.*

**INSIDE CLIMATE NEWS INC.**  
**STATEMENTS OF CASH FLOWS**

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| <i>Years ended December 31,</i>                              | <b>2025</b>         | <b>2024</b>         |
|--------------------------------------------------------------|---------------------|---------------------|
| <b>Cash flows from operating activities</b>                  |                     |                     |
| Change in net assets                                         | \$ (538,570)        | \$ 2,682,948        |
| Adjustments to reconcile:                                    |                     |                     |
| Depreciation                                                 | 2,433               | 3,350               |
| Adjustment to right-to-use assets and lease liabilities, net | 543                 | 1,759               |
| (Increase) decrease in grants and contracts receivable       | 1,311,494           | (1,700,900)         |
| (Increase) decrease in prepaid expenses                      | 2,567               | (20,754)            |
| Increase in accounts payable and accrued expenses            | 9,088               | 35,918              |
|                                                              | <b>787,555</b>      | <b>1,002,321</b>    |
| <b>Net cash provided by operating activities</b>             | <b>787,555</b>      | <b>1,002,321</b>    |
| <b>Net change in cash</b>                                    | <b>787,555</b>      | <b>1,002,321</b>    |
| <b>Cash and cash equivalents, beginning of year</b>          | <b>2,720,903</b>    | <b>1,718,582</b>    |
| <b>Cash and cash equivalents, end of year</b>                | <b>\$ 3,508,458</b> | <b>\$ 2,720,903</b> |

**See accompanying independent auditor's report and notes to financial statements.**

**NOTE 1 - ORGANIZATION**

**Nature of Business**

Inside Climate News Inc. is an exempt organization operating as a public charity under Section 501(c)(3).

Inside Climate News Inc. runs a nationally recognized, independent, non-partisan news service available as a public service for free on the internet at <http://insideclimatenews.org>.

Inside Climate News Inc.'s original journalism on climate and energy issues is published daily and includes breaking news, headline aggregations, features and in-depth investigations. Inside Climate News helps to fill a national deficiency in environmental journalism and contributes to accurate public understanding on vital issues crucial to the proper functioning of democracy. It is staffed by professional journalists, many with decades of experience, and has won dozens of awards for its work, including a Pulitzer Prize for National Reporting.

**NOTE 2 - SUMMARY OF ACCOUNTING POLICIES**

The financial statements of Inside Climate News Inc. have been prepared on the accrual basis of accounting in accordance with accounting standards generally accepted in the United States of America. The significant accounting policies are described below:

**Basis of Presentation**

Inside Climate News Inc.'s financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards Codification Topic No. 958, *Not-for-Profit Entities*. Under Topic 958, Inside Climate News Inc. is required to report information regarding its statements of financial position and activities according to two classes of net assets:

Net Assets Without Donor Restriction - net assets that are not subject to or no longer subject to donor-imposed stipulations.

Net Assets With Donor Restriction - net assets whose use is limited by donor-imposed time and/or purpose restrictions.

**Liquidity and Availability of Financial Resources**

Inside Climate News Inc. regularly monitors liquidity to meet its cash flow requirements and operating needs. The availability of financial assets is primarily affected by management designation, the nature of the underlying assets, external limitations exposed by donors or contracts with others.

**NOTE 2 - SUMMARY OF ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

Inside Climate News Inc. considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Inside Climate News Inc.'s cash equivalents includes Treasury Bills which have a total fair market value of \$1,685,168 (\$1,693,000 par value) and \$994,598 (\$1,000,000 par value) at December 31, 2025 and 2024, respectively.

**Grants and Contributions**

Inside Climate News Inc. records contributions and grants when an unconditional promise to give such assets is received from a donor. Contributions and grants are recorded at the fair market value of the assets received and are classified as either net assets without donor restriction or net assets with donor restrictions, depending on whether the donor has imposed a restriction on the use of such asset.

When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net asset with donor restriction are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Inside Climate News Inc. classifies donor contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Contributions and grants that are expected to be collected in future years are recorded at their present value of their estimated future cash flows, if material.

**Fixed Assets and Depreciation**

Inside Climate News Inc. capitalizes property and equipment with a cost or fair value exceeding \$1,000 and a useful life of more than one year. Depreciation of computers, software and video equipment is provided on the straight-line method over the expected useful lives of the assets which management estimates to be five years. Cost exceeding \$1,000 which are incurred to develop applications, infrastructure, and graphics are capitalized. Amortization is computed using a straight-line depreciation method over the estimated useful life of the site, ranging from three to five years.

**NOTE 2 - SUMMARY OF ACCOUNTING POLICIES**  
**(CONTINUED)**

**Functional Expense Allocations**

The cost of providing the various programs and other activities of Inside Climate News Inc. have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Accordingly, certain cost have been allocated among the programs and supporting service benefited.

Such allocations are determined by management in accordance with grant provisions and/or other equitable basis. The salary of the executive director is allocated based on estimated time spent for each function.

**Income Taxes**

Inside Climate News Inc. follows the guidance of Accounting Standards Codification ("ASC") 740 "Income Taxes." ASC 740, which requires that a tax position be recognized or derecognized based on a "more than likely than not" threshold.

This applies to positions taken or expected to be taken in a tax return. Inside Climate News Inc. is subject to federal and state income tax on unrelated business taxable income. Inside Climate News Inc. has concluded that as of December 31, 2025 and 2024 there are no uncertain tax provisions taken or expected to be taken that would require recognition of a tax liability in its financial statements.

Federal and state income tax returns that remain open for examination by taxing authorities include 2022 and later years.

**Advertising and Promotion**

Inside Climate News Inc. policy is to expense all advertising and promotion costs when incurred which totaled \$17,545 and \$13,512 during the years ended December 31, 2025 and 2024, respectively.

**Reclassifications**

Certain prior year amounts have been reclassified to conform with current year presentation.

**NOTE 2 - SUMMARY OF ACCOUNTING POLICIES**  
**(CONTINUED)**

**Concentrations of Credit Risk**

Financial instruments that potentially subject Inside Climate News Inc. to concentrations of credit risk consist primarily of cash and cash equivalents. Inside Climate News Inc. maintains cash balances in three financial institutions that, at times, may exceed federally insured limits. Inside Climate News Inc.'s cash accounts are placed with a high credit quality financial institution. Inside Climate News Inc. has not experienced, nor does it anticipate, any losses in such accounts. Inside Climate News Inc. has implemented a plan to invest funds in excess of near-term operating expenses in US Treasury Bills. At December 31, 2025 and 2024 Inside Climate News Inc. maintained cash and cash equivalent balances in excess of the Federal Deposit Insurance Corporation limit by approximately \$1,320,000 and \$1,437,000, respectively.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent 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.

**Leases**

Inside Climate News Inc. classifies its leases as either finance or operating, with classification affecting the pattern of expense recognition in the combining statement of activities. Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payments will be recognized into net income on a straight-line basis over the lease term.

**INSIDE CLIMATE NEWS INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2025 AND 2024**

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**NOTE 3 – FAIR VALUE MEASUREMENTS**

Inside Climate News Inc.'s cash equivalents which consist of US Treasury Bills are reported at fair value in the accompanying statements of financial position. FASB ASC 820-10-50, Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of unadjusted quoted prices in active markets and have the highest priority. Level 2 inputs consist of quoted prices in active markets for similar assets or liabilities or quoted prices in inactive markets for identical or similar assets or liabilities. Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement and have the lowest priority. When available, Inside Climate News Inc. measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 and Level 3 inputs are only used when Level 1 inputs are not available. Inside Climate News Inc.'s US Treasury Bills are valued using Level 1 inputs.

**NOTE 4 – GRANTS AND CONTRIBUTIONS RECEIVABLE**

Grant and contributions receivable at December 31, 2025 and 2024 consisted of current and multiyear promises to give which are collectible as follows:

|                          | <b>2025</b> |           | <b>2024</b> |           |
|--------------------------|-------------|-----------|-------------|-----------|
| Due within one year      | \$          | 1,508,454 | \$          | 2,359,948 |
| Due in one to five years |             | 196,160   |             | 656,160   |
| Total                    | \$          | 1,704,614 | \$          | 3,016,108 |

**NOTE 5 – FIXED ASSETS**

A summary of fixed assets is as follows as of December 31, 2025 and 2024:

|                               | <b>2025</b> |          | <b>2024</b> |         |
|-------------------------------|-------------|----------|-------------|---------|
| Website                       | \$          | 10,500   | \$          | 10,500  |
| Software                      |             | 4,800    |             | 4,800   |
|                               |             | 15,300   |             | 15,300  |
| Less accumulated depreciation |             | (12,271) |             | (9,838) |
| Net                           | \$          | 3,029    | \$          | 5,462   |

Depreciation expense for the years ended December 31, 2025 and 2024 amounted to \$2,433 and \$3,350, respectively.

**NOTE 6 – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES**

The following reflects Inside Climate News Inc.'s financial assets as of the statements of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position date. The primary sources of support are contributions. The majority of that support is general support with no restrictions imposed.

A summary of financial assets, available to meet cash needs for general expenditures within one year as of December 31, 2025 and 2024 is as follows:

|                                                                                        | <b>2025</b> |             | <b>2024</b> |             |
|----------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|
| Cash and cash equivalents                                                              | \$          | 3,508,458   | \$          | 2,720,903   |
| Grants and contributions receivable                                                    |             | 1,704,614   |             | 3,016,108   |
|                                                                                        |             | 5,213,072   |             | 5,737,011   |
| Less: donor restricted funds (includes long-term receivables)                          |             | (2,292,410) |             | (3,796,250) |
| Financial assets available to meet cash needs for general expenditures within one year | \$          | 2,920,662   | \$          | 1,940,761   |

Inside Climate News Inc.'s objective is to maintain both liquid financial assets without restrictions and donor restricted funds sufficient to cover approximately twelve months of program expenses. Inside Climate News Inc. can adjust the timing of certain disbursements when necessary. Donor-restricted funds are available for expenditures upon satisfaction of the restriction and the expected timing.

**NOTE 7 - LINE OF CREDIT**

In October 2023, Inside Climate News Inc. obtained a \$500,000 unsecured line of credit which extended through February 28, 2026. The line of credit was not renewed. The interest rate on the line was equal to applicable federal rate which is set monthly by the IRS. There were no outstanding advances on the line of credit as of December 31, 2025 or 2024.

**INSIDE CLIMATE NEWS INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2025 AND 2024**

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**NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

|                          | December 31,<br>2024 | Contributions | Net Assets<br>Released from<br>Restriction | Total at<br>December 31,<br>2025 |
|--------------------------|----------------------|---------------|--------------------------------------------|----------------------------------|
| December 31, 2025        |                      |               |                                            |                                  |
| Time/purpose restriction | \$ 3,796,250         | \$ 1,283,750  | \$ (2,787,590)                             | \$ 2,292,410                     |
|                          |                      |               |                                            |                                  |
|                          | December 31,<br>2023 | Contributions | Net Assets<br>Released from<br>Restriction | Total at<br>December 31,<br>2024 |
| December 31, 2024        |                      |               |                                            |                                  |
| Time/purpose restriction | \$ 1,955,000         | \$ 3,161,250  | \$ (1,320,000)                             | \$ 3,796,250                     |

**NOTE 9 – RIGHT-OF-USE ASSETS AND LEASES**

Inside Climate News Inc. determines whether a contract is a lease at inception. Identified leases are subsequently measured, classified and recognized at lease commencement. A right-of-use asset and lease liability is included in the statements of financial position. Leased assets represent Inside Climate News Inc.'s right to use an underlying asset for the lease term and lease liabilities represent their obligation to make lease payments arising from the lease.

The operating right-of-use asset and associated lease liability is recognized based on the present value of future minimum lease payments to be made over the expected lease term, using the risk-free discount rate at year end in determining the present value of future payments.

On January 18, 2024, Inside Climate News signed a new lease for its office space effective for the period of March 1, 2024 and expiring on February 28, 2027. The first twelve months of the lease calls for monthly payments of \$3,500 with a 3% escalator for years two and three. The lease agreement does not contain any renewal options.

The following are the present value of lease payments:

Year ending December 31,

|                                    |                  |
|------------------------------------|------------------|
| 2026                               | \$ 44,342        |
| 2027                               | 7,426            |
| Total minimum lease payments       | 51,768           |
| Less: amount representing interest | (1,329)          |
| Present value of lease payments    | <u>\$ 50,439</u> |

**NOTE 10 – SUBSEQUENT EVENTS**

Inside Climate News Inc. evaluated its December 31, 2025 financial statements for subsequent events through June 24, 2026, the date the financial statements were available to be issued. Inside Climate News Inc. is not aware of any subsequent events which would require recognition in the financial statements.