

New Wave Corporation
d/b/a KOPN FM Radio
Financial Statements
September 30, 2021 and 2020

Prepared by:
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Columbia, MO

New Wave Corporation d/b/a KOPN FM Radio

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Erin L. Palmer, C.P.A., LLC

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
New Wave Corporation
d/b/a KOPN FM Radio
Columbia, Missouri

Opinion

I have audited the accompanying financial statements of New Wave Corporation d/b/a KOPN FM Radio (a nonprofit organization) which comprise the statements of financial position as of September 30, 2021 and 2020, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Wave Corporation d/b/a KOPN FM Radio as of September 30, 2021 and 2020 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am further required to be independent of New Wave Corporation d/b/a KOPN FM Radio and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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.

Erin L. Palmer, C.P.A., LLC

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

- 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 the 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 New Wave Corporation d/b/a KOPN FM Radio'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the New Wave Corporation d/b/a KOPN FM Radio's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Report on the Summarized Comparative Information

The audit report for the year ended September 30, 2020 was completed by Howe and Associates, PC of Columbia, Missouri, and an unmodified opinion was expressed in their report dated March 2, 2021. In my opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Columbia, MO
December 31, 2021

New Wave Corporation d/b/a KOPN FM Radio
Statements of Financial Position
September 30, 2021 and 2020

	Assets	
	2021	2020
Current Assets		
Cash and Cash Equivalents	\$ 420,127	\$ 361,734
Accounts Receivable	150	1,009
Prepaid Expenses	8,230	3,766
Total Current Assets	428,507	366,509
Fixed Assets		
Equipment	426,849	426,849
Leasehold Improvements	29,932	29,932
Software/Intangible Assets	11,147	11,147
Total Fixed Assets	467,928	467,928
Less: Accumulated Depreciation	(427,691)	(416,594)
Net Fixed Assets	40,237	51,334
Total Assets	\$ 468,744	\$ 417,843
	Liabilities and Net Assets	
Current Liabilities		
Accounts Payable	\$ 1,902	\$ 1,967
Accrued Payroll	2,668	2,172
Accrued Vacation	3,680	2,466
SBA Loan	-	18,250
Total Current Liabilities	8,250	24,855
Net Assets		
Net Assets without Donor Restrictions	354,060	345,250
Net Assets with Donor Restrictions	106,434	47,738
Total Net Assets	460,494	392,988
Total Liabilities and Net Assets	\$ 468,744	\$ 417,843

The Accompanying Notes are an Integral Part of these Financial Statements.

New Wave Corporation d/b/a KOPN FM Radio
Statements of Activities
For the Years Ended September 30, 2021 and 2020

	2021	2020
Net Assets without Donor Restrictions		
Revenue & Support		
Grants	\$ 6,831	\$ 190,006
Direct Public Support	181,057	212,035
Non-Cash Donations	89,551	75,906
Underwriting Revenue	14,375	5,571
Other Income	-	546
PPP Loan - forgiven	36,500	-
Interest Income	30	23
Total Revenue	328,344	484,087
Net Assets Released from (Classified as with) Restriction	15,704	30,615
Increase in Net Assets without Donor Restrictions	344,048	514,702
Expenses		
Program Service	170,228	141,755
Management and General	132,074	104,253
Fundraising	32,936	25,825
Total Expenses	335,238	271,833
Change in Net Assets without Donor Restrictions	8,810	242,869
Net Assets with Donor Restrictions		
Grants	-	19,286
Contributions	74,400	34,434
Net Assets (Released from) Classified as with Restriction	(15,704)	(30,615)
Change in Net Assets with Donor Restrictions	58,696	23,105
Change in Net Assets	67,506	265,974
Net Assets, Beginning of Year	392,988	127,014
Net Assets, End of Year	\$ 460,494	\$ 392,988

The Accompanying Notes are an Integral Part of these Financial Statements.

New Wave Corporation d/b/a KOPN FM Radio
Statements of Cash Flows
For the Years Ended September 30, 2021 and 2020

	2021	2020
Cash Flows From Operating Activities		
Change in Net Assets	\$ 67,506	\$ 265,974
Adjustments to Reconcile Net Assets to Net Cash		
Provided by Operating Activities:		
Depreciation	11,096	10,730
Accounts Receivable	860	7,167
Prepaid Expenses	(4,464)	358
Accounts Payable	(65)	(9,877)
Accrued Wages, Taxes & Vacation	1,710	(6,566)
Total Adjustments	9,137	1,812
Net Cash Provided By (Used In) Operating Activities	76,643	267,786
 Cash Flows From Investing Activities		
Fixed Assets (Purchases)/ Disposals	-	(14,923)
Net Cash (Used in) Investing Activities	-	(14,923)
 Cash Flows from Financing Activities		
Note Payable Proceeds/(Payments)	18,250	18,250
Forgiveness of PPP Loans	(36,500)	-
Net Cash (Used in) Financing Activities	(18,250)	18,250
 Net Increase (Decrease) in Cash and Cash Equivalents	58,393	271,113
 Cash and Cash Equivalents at Beginning of Period	361,734	90,621
 Cash and Cash Equivalents at End of Period	\$ 420,127	\$ 361,734
 Supplementary Cash Flow Information		
Cash Paid During the Year for:		
Interest	\$ -	\$ -
Income Taxes	\$ -	\$ -

The Accompanying Notes are an Integral Part of these Financial Statements.

New Wave Corporation d/b/a KOPN FM Radio
Statements of Functional Expenses
For the Year Ended September 30, 2021

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>2020</u>
Accounting and Legal	\$ -	\$ 12,300	\$ -	\$ 12,300	\$ 21,190
Advertising and Promotion	90	-	871	961	117
Bank Charges	-	3,458	-	3,458	3,140
Broadcast and Production	14,018	-	-	14,018	3,988
Depreciation	11,096	-	-	11,096	10,730
Dues and Subscriptions	150	2,511	-	2,661	1,461
Engineering Supplies	1,060	-	-	1,060	10,125
Equipment Rental	-	862	-	862	-
Fundraising	-	162	10,736	10,898	4,261
Insurance	-	6,256	-	6,256	6,673
Maintenance and Repairs	-	642	-	642	370
Miscellaneous	-	-	-	-	927
In Kind Expenses	59,081	30,471	-	89,552	75,906
Office Expense	-	2,889	1,216	4,105	1,187
Outside Labor	-	-	-	-	-
Postage and Mailing Services	-	-	-	-	4,079
Printing	-	2,401	-	2,401	1,970
Program Fees	18,021	-	-	18,021	9,355
Rent	21,863	5,812	-	27,675	25,725
Salaries and Payroll Taxes	30,171	50,285	20,113	100,569	65,969
Telecommunications	1,090	7,654	-	8,744	6,240
Tower Expenses	13,588	-	-	13,588	11,259
Utilities	-	6,371	-	6,371	7,161
Totals	\$ 170,228	\$ 132,074	\$ 32,936	\$ 335,238	\$ 271,833

The Accompanying Notes are an Integral Part of these Financial Statements.

New Wave Corporation d/b/a KOPN FM Radio
Statements of Functional Expenses
For the Year Ended September 30, 2020

	Program Services	Management and General	Fundraising	Total
Accounting and Legal	\$ -	\$ 21,190	\$ -	\$ 21,190
Advertising and Promotion	-	27	90	117
Bank Charges	-	35	3,105	3,140
Broadcast and Production	3,988	-	-	3,988
Depreciation	10,730	-	-	10,730
Dues and Subscriptions	-	1,461	-	1,461
Engineering Supplies	8,830	1,295	-	10,125
Equipment Rental	-	-	-	-
Fundraising	-	30	4,231	4,261
Insurance	-	6,673	-	6,673
Maintenance and Repairs	-	370	-	370
Miscellaneous	1	826	100	927
In Kind Expenses	51,541	24,365	-	75,906
Office Expense	-	1,187	-	1,187
Outside Labor	-	-	-	-
Postage and Mailing Services	-	618	3,461	4,079
Printing	-	1,970	-	1,970
Program Fees	9,355	-	-	9,355
Rent	19,294	5,145	1,286	25,725
Salaries and Payroll Taxes	19,791	32,984	13,194	65,969
Telecommunications	879	5,361	-	6,240
Tower Expenses	11,259	-	-	11,259
Utilities	6,087	716	358	7,161
Totals	\$ 141,755	\$ 104,253	\$ 25,825	\$ 271,833

The Accompanying Notes are an Integral Part of these Financial Statements.

New Wave Corporation
d/b/a KOPN, FM Radio
Notes to the Financial Statements
September 30, 2021 and 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Purpose of the Organization

New Wave Corporation, d/b/a/ KOPN, FM Radio (the Organization) operates to provide a community access, listener sponsored, public radio station. The majority of funding comes from listener pledges and grants from the Corporation for Public Broadcasting.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, whereby support and revenues are recognized when earned and expenses when incurred.

Basis of Presentation

The Organization prepares financial statements in accordance with the Financial Accounting Standards Board (FASB) standards for not-for-profit organizations (ASU 958-205 and subsections). Under these standards the Organization is required to report information regarding its financial position and activities according to two classes of net assets: Net Assets without Donor Restrictions and Net Assets with Donor Restrictions.

Net Assets without Donor Restrictions

Net Assets without Donor Restrictions are not subject to donor-imposed stipulations. Revenues are reported as net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in the appropriate net asset classification. Board-designated funds are classified as net assets without donor restrictions.

Net Assets with Donor Restrictions

Net Assets with Donor Restrictions are subject to donor-imposed stipulations. Generally, the donors of these assets permit an organization to use all or part of the income earned on related investments for general or specific purposes.

Grants and other contributions of cash and other assets are reported as with restriction support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulation time restriction ends or purpose restriction is accomplished, net assets with restrictions are reclassified to net assets without restrictions and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as without-restriction contributions.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New Wave Corporation
d/b/a KOPN, FM Radio
Notes to the Financial Statements
September 30, 2021 and 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (cont.)

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Organization considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. Deposits are insured up to \$250,000 by the Federal Deposit Insurance Corporation, and all deposits were fully insured.

Accounts Receivable

As of September 30, 2021 and 2020, all accounts receivables are considered fully collectible. No allowance for doubtful accounts has been recorded.

Fixed Assets

Property and equipment are recorded at cost. Contributed property and equipment are recorded at fair value on the date of donation. Depreciation is taken over the estimated useful lives of the respective assets on a sight-line basis. Routine repairs and maintenance are expensed as incurred.

Contributions & Revenues

Contributions and other revenues received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Income Taxes

The Organization is recognized as a tax-exempt organization as defined in Sections 501(c)(3) of the Internal Revenue Code and is generally exempt from the federal income taxes on related income. Accordingly, no provision for income taxes has been included in the financial statements.

Donated Materials, Equipment, and Services

Donated materials and equipment, if any, are recognized at fair value when received as in-kind contributions.

A number of volunteers have donated significant amounts of their time to the Organization; however, these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

Contributed professional services are recognized at fair value if the services received require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not

New Wave Corporation
d/b/a KOPN, FM Radio
Notes to the Financial Statements
September 30, 2021 and 2020

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (cont.)

provided by donation. Those amounts, when reflected in the financial statements as in-kind contributions, are offset by like amounts included in expenses.

Advertising

The organization expenses marketing and advertising costs as they are incurred.

Functional Allocation of Expenses

The costs of providing program, fundraising and other activities have been summarized on a functional basis in the statement of activities. Accordingly, salaries and payroll taxes, utilities, and rent have been allocated to functional classifications based on various factors.

Subsequent Events

Subsequent events have been evaluated through December 31, 2021, which is the date the financial statements were available to be issued.

Concentrations of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk include cash and investments. The Organization maintains its cash in bank deposit accounts, which, at times may exceed federally insured limits as guaranteed by the Federal Deposit Insurance Corporation (FDIC).

NOTE 2: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following at September 30, 2021 and 2020:

	2021		2020
Checking Account	\$30,794	\$	91,397
Money Market Accounts	388,579		269,998
PayPal & Stripe	604		189
Petty Cash	150		150
Total Cash and Cash Equivalents	\$420,127	\$	361,734

New Wave Corporation
d/b/a KOPN, FM Radio
Notes to the Financial Statements
September 30, 2021 and 2020

NOTE 3: AVAILABILITY AND LIQUIDITY

Financial assets at September 30, 2021 and 2020

	2021	2020
Cash and Cash Equivalents	\$ 420,127	\$ 361,734
Accounts Receivable	150	1,009
Total Financial Assets	<u>420,277</u>	<u>362,743</u>
Less Net Assets with purpose restrictions to be met in less than one year	106,434	47,738
Financial Assets available to meet general expenditures over the next twelve months	<u>\$ 313,843</u>	<u>\$ 315,005</u>

NOTE 4: FIXED ASSETS

The Organization maintains a library of music. The collection of records, tapes and compact discs number more than 70,000 individual selections and is believed by Management to have both historical significance and market value. Many of the items were donated to the Organization in prior years by the recording industry. In accordance with common industry practices in the public radio industry, the Organization no longer reflects the library as an asset.

Property and equipment consisted of the following at September 30, 2021 and 2020:

	2021	2020
Transmission Equipment	\$ 269,243	\$ 269,243
Broadcasting Equipment	47,268	47,268
Computer Equipment	23,379	23,379
Office Equipment	14,944	14,944
Production Equipment	39,433	39,433
PTEP Equipment	32,582	32,582
Software	11,147	11,147
Leasehold Improvements	29,932	29,932
Less: Accumulated Depreciation	(427,691)	(416,594)
Net Fixed Assets	<u>\$ 40,237</u>	<u>\$ 51,334</u>

Depreciation Expense for the years ended September 30, 2021 and 2020 was \$11,096 and \$10,730, respectively.

NOTE 5: ACCRUED VACATION

The Organization records the value of earned time off as a liability at the end of the year. The total value of such pay as of September 30, 2021 and 2020 is \$3,680 and \$2,466, respectively.

New Wave Corporation
d/b/a KOPN, FM Radio
Notes to the Financial Statements
September 30, 2021 and 2020

NOTE 6: NOTE PAYABLE

On April 14, 2020 the Organization received loan proceeds in the amount of \$18,250 under the Paycheck Protection Program (PPP). The PPP provides for loans to qualifying business for amounts of to 2.5 times of the average monthly payroll expenses. The loan and accrued interest are forgivable as long as the Organization uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities, and maintains its payroll levels. The loan balance, \$18,250 and \$139 of accrued interest were forgiven on January 15, 2021.

On January 23, 2021, the Organization received a second loan in the amount of \$18,250 under the Paycheck Protection Program (PPP). The loan balance, \$18,250 and \$100 of accrued interest were forgiven on August 13, 2021.

NOTE 7: NET ASSETS

Net Assets with donor restrictions were as follows for the years ended September 30, 2021 and 2020:

	2021	2020
CPB Restricted Grant for programming	\$ -	\$ 15,704
Capital Campaign	106,704	32,034
Total Net Assets with Donor Restrictions	<u>\$ 106,704</u>	<u>\$ 47,738</u>

NOTE 8: GRANTS

The Organization receives grants from various sources. The amounts of these grants were as follows for the years ended September 30, 2021 and 2020:

	2021	2020
Corporation for Public Broadcasting	\$ -	\$ 184,449
Missouri Arts Council	6,831	5,610
Boone Electric Community Trust	-	19,233
Miscellaneous Grant Income	-	2,743
Total Grants	<u>\$ 6,831</u>	<u>\$ 212,035</u>

NOTE 9: BARTER TRANSACTIONS

The Organization routinely barter for underwriting of products of services. All barter transactions are reported at the estimated fair value of the products and services received. Revenue reported when the underwriting is broadcast, and expenses is reported when the merchandise or services are received or used.

New Wave Corporation
d/b/a KOPN, FM Radio
Notes to the Financial Statements
September 30, 2021 and 2020

NOTE 10: NON-CASH DONATIONS

The Organization receives donations of professional services and products from various sources. The amounts of these donations recorded in the financial statements at fair market value for the years ended September 30, 2021 and 2020, were as follows:

	2021	2020
Professional Services	\$88,651	\$75,906
Facilities	900	-
Total Non-Cash Donations	\$89,551	\$75,906

NOTE 11: LEASE OBLIGATIONS

The organization rents its primary broadcasting and office facilities under an operation agreement with the Dalton Family Trust. The lease term, as amended April 29, 2016, ends June 30, 2021. Monthly payments to the Dalton Family Trust were \$2,100 through June 30, 2020 and increased to \$2,275 beginning July 1, 2020. The lease was renewed on February 8, 2021 to extend the term from July 1, 2021 to June 30, 2022 where monthly payments increased to \$2,500. As of September 30, 2021 and 2020, total lease payments under this agreement were \$27,675 and \$25,275, respectively. Future minimum lease payments through June 2021 are \$22,500.

NOTE 12: EASEMENT AGREEMENT

On April 24, 1987, the curators of the University of Missouri granted to New Wave Corporation a perpetual easement for a radio transmission tower and transmitter building situated in Boone County, Missouri.

Erin L. Palmer, C.P.A., LLC

COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE

New Wave Corporation d/b/a KOPN FM Radio

September 30, 2021 and 2020

Erin L. Palmer, C.P.A., LLC

December 31, 2021

To the Board of Directors of
New Wave Corporation d/b/a KOPN FM Radio

I have audited the financial statements of New Wave Corporation d/b/a KOPN FM Radio Organization for the years ended September 30, 2021 and 2020 and have issued my report thereon dated December 31, 2021. Professional standards require that I provide you with the following information related to my audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by New Wave Corporation d/b/a KOPN FM Radio are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. I noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by Management and are based on Management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates and disclosures are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate and disclosure affecting the financial statements was the recording of payroll. The financial statements disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with Management in performing and completing my audit.

Corrected and Uncorrected Misstatements

Professional standards require me to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of Management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by Management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with Management is a financial accounting, reporting, or auditing matter, whether or not resolved to my satisfaction, that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Erin L. Palmer, C.P.A., LLC

Management Representations

I have requested certain representations from Management that are included in the Management representation letter dated December 31, 2021.

Management Consultations with Other Independent Accountants

In some cases, Management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, my professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with Management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

Other Matters: Audit Adjustments

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in my judgment, may not have been detected except through my auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Organization's financial reporting process (that is, cause future financial statements to be materially misstated). I proposed \$3,198.59 of audit adjustments to the financial statements. Management has reviewed these changes, and agreed with them.

I wish to thank the New Wave Corporation d/b/a KOPN FM Radio' personnel for their assistance during the course of my audit. I will be pleased to discuss these or any other matters at your convenience. This information is intended solely for the use of the Board of Directors and Management of New Wave Corporation d/b/a KOPN FM Radio, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Erin L. Palmer, CPA, LLC
Columbia, MO