

Condensed Financial Statements and Supplemental Information

Open Stories Foundation

December 31, 2016

Open Stories Foundation

2016 Financial Information

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Open Stories Foundation
CONDENSED STATEMENT OF FINANCIAL POSITION

December 31, 2016

Current assets	
Unrestricted cash	\$ 37,168
Designated and restricted cash	130,000
Accounts receivable	<u>22,180</u>
Total current assets	189,348
Property and equipment, net	<u>6,103</u>
Total assets	<u>\$ 195,451</u>
Current liabilities	
Payroll and related liabilities	<u>\$ 2,622</u>
Total liabilities	2,622
Net Assets	
Unrestricted	142,829
Restricted	<u>50,000</u>
Total net assets	<u>192,829</u>
Total liabilities and net assets	<u>\$ 195,451</u>

Open Stories Foundation
CONDENSED STATEMENT OF ACTIVITIES
Year Ended December 31, 2016

Revenue and Support	
Direct public support	\$ 71,637
Programs	<u>264,053</u>
Total revenues and support	335,690
 Expenses	
Direct programs	64,314
Payroll related	116,377
Other administrative and supporting services	<u>42,274</u>
Total expenses	<u>222,965</u>
 Change in net assets	112,725
Net assets, beginning of year	<u>80,104</u>
 Net assets, end of year	<u>\$ 192,829</u>

Open Stories Foundation

2016 SUPPLEMENTAL INFORMATION

Condensed Statement of Financial Position:

Unrestricted cash: Represents the cash balance that isn't subject to a restriction or specific designation.

Designated and restricted cash: Includes \$50,000 that is subject to restrictions for use for specific program(s) and \$80,000 that has been designated by the Board of Directors to be held in reserve to help ensure adequate liquidity of the Open Stories Foundation ("Foundation") to continue to fund future operations and programs.

Accounts receivable: Represents donations received by Paypal and Donor Box at December 31, 2016 but not transferred to the Foundation's operating cash account.

Property and equipment: Consists primarily of computer related equipment, net of depreciation.

Payroll and related liabilities: Consists of health insurance and payroll taxes incurred but not yet paid at December 31, 2016.

Condensed Statement of Activities:

Direct public support: Consists of donations made directly to the Foundation.

Programs: Revenue from programs consisted of \$48,075 resulting from events and \$215,978 of podcast donations as detailed below:

Mormon stories	\$ 139,750
Mormon matters	42,395
Mormon transitions:	
Subscription revenues secured prior to podcast launch	17,260
Subscription and one-time revenues secured after podcast launch	3,509
Thoughtful faith	9,399
All other	<u>3,665</u>
Total podcast	<u>\$ 215,978</u>

Direct program expenses: Direct program expenses consisted of \$19,616 for events and \$44,698 for direct podcast expenses. These expenses include fees for contract podcasters and related supplies and IT related podcast expenses.

The Foundation has contractor agreements in place with each podcaster which includes a minimum monthly payment if the podcaster provides the agreed upon number of monthly episodes and an additional monthly fee per download if contractual minimum download levels are exceeded. The contract also allows for a discretionary end-of-year payment based on performance. No disparity exists among podcast contract agreements as each podcaster has signed agreements with consistent terms and conditions, including consistent minimum payment amounts, consistent minimum download thresholds, and consistent fee per download rates. As of December 31, 2016 podcast contracts were in place for the Mormon Matters and Thoughtful Faith podcasters. No agreement was in place for the Mormon Mental Health and Mormon

Open Stories Foundation

2016 SUPPLEMENTAL INFORMATION (continued)

Transitions podcasters as of December 31, 2016. Good faith discussions are still underway with the Mormon Mental Health podcaster and, in December 2016, the Mormon Transitions podcaster declined the Foundation's offer for a contract and is no longer providing podcast content for the Foundation. The Mormon Transitions podcaster was paid for services provided in 2016 consistent with what would have been paid under the terms of the contract signed by the other podcasters.

Payroll related expenses: As of December 31, 2016 the Foundation had 2 employees, the Chief Executive Officer (CEO) and the Director of Operations. The Director of Operations was hired in late 2016. The Foundation also had a project manager for a limited time in 2016. As of December 31, 2016 the CEO's annual salary was \$75,000 and the Director of Operations' annual salary was \$45,000, both of which are eligible for an annual bonus. The CEO's compensation is set by the Board Compensation Committee which consists of the Foundation's independent Directors who receive no compensation from the Foundation.

Payroll related expenses for 2016 are as follows:

Chief Executive Officer	
Salary	\$ 75,000
Bonus	15,000
Director of Operations	
Salary	4,876
Bonus	1,000
Project manager salary	6,082
Payroll taxes	7,799
Health insurance benefits	<u>6,620</u>
Total Payroll related expenses	<u>\$ 116,377</u>

Other administrative and supporting services expenses: Below is the detail by category for 2016 Other administrative and supporting services expenses:

Transaction fees	17,070
Technology and telecomm	12,490
Meals & travel	6,723
Accounting & legal fees	4,296
All other	<u>1,695</u>
Total Other administrative and supporting services	<u>\$ 42,274</u>