

Museum of the Bible

Financial Statements
June 30, 2017

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Independent Auditor's Report

RSM US LLP

To the Board of Directors
Museum of the Bible
Oklahoma City, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the Museum of the Bible, which comprise the statements of financial position as of June 30, 2017 and 2016, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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 Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditor's 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 auditors consider 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant 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 audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Museum of the Bible as of June 30, 2017 and 2016, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 10 to the financial statements, the Museum of the Bible elected to change its method of accounting for the capitalization of collections in 2016 and 2017. Our opinion is not modified with respect to this matter.

RSM US LLP

Oklahoma City, Oklahoma
October 17, 2017

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Museum of the Bible

**Statements of Financial Position
June 30, 2017 and 2016**

	2017	As Adjusted (Note 10) 2016
Assets		
Cash and cash equivalents	\$ 28,603,055	\$ 16,913,455
Certificates of deposit	392,864	394,022
Accounts receivable	3,565,504	213,999
Contributions receivable, net	16,115,997	10,370,421
Inventory	423,027	85,748
Prepaid expenses, deposits, and other assets	2,118,587	2,316,890
Restoration and loans, net	858,592	872,878
Publication costs:		
Prepublication costs	4,355,786	10,727,015
Publications in-service, net	9,648,792	1,715,802
Property and equipment, net	436,241,910	268,248,904
Total assets	\$ 502,324,114	\$ 311,859,134
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 17,766,988	\$ 20,046,950
Accrued liabilities	14,174,965	17,964,313
Short-term debt	75,000,000	-
Total liabilities	106,941,953	38,011,263
Net assets:		
Unrestricted	381,973,860	264,472,414
Temporarily restricted	13,408,301	9,375,458
Total net assets	395,382,161	273,847,872
Total liabilities and net assets	\$ 502,324,114	\$ 311,859,134

See notes to financial statements.

Museum of the Bible

**Statements of Activities
Years Ended June 30, 2017 and 2016**

	2017	2016
Unrestricted net assets:		
Operating revenues and other support:		
Contributions:		
Gifts of cash and promises to give	\$ 152,459,758	\$ 153,567,454
Admissions	25,962	465,681
Gift shop sales	-	114,069
Other income	1,539,625	1,199,973
Release from temporarily restricted net assets	14,036,249	7,653,529
Total support and revenues	168,061,594	163,000,706
Operating expense:		
Payroll and related benefits	14,489,334	10,368,359
Contract services	6,817,631	4,909,813
Sponsorships	742,436	1,120,731
Awards and grants	6,222,658	1,810,217
Marketing	5,248,593	2,207,878
Technology	1,667,800	840,349
Operations	1,273,970	2,038,902
Non-employee and program-related travel	2,494,005	3,433,428
Depreciation and amortization	2,252,091	1,776,195
General and administrative	4,696,622	4,048,547
Cost of goods sold	660,468	156,927
Fundraising	3,994,540	5,034,441
Total operating expense	50,560,148	37,745,787
Change in unrestricted net assets	117,501,446	125,254,919
Temporarily restricted net assets:		
Gifts of cash and promises to give, net	18,069,092	14,300,912
Release of temporarily restricted net assets	(14,036,249)	(7,653,529)
Change in temporarily restricted net assets	4,032,843	6,647,383
Change in net assets	121,534,289	131,902,302
Net assets at beginning of year (as adjusted, Note 10)	273,847,872	141,945,570
Net assets at end of year	\$ 395,382,161	\$ 273,847,872

See notes to financial statements.

Museum of the Bible

Statements of Cash Flows
Years Ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Change in net assets	\$ 121,534,289	\$ 131,902,302
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	2,867,831	1,828,422
Unsuccessful efforts expense	82,000	-
Discount of contribution receivable	409,437	458,153
Gifts restricted for capital expenditures	(8,953,688)	(2,697,919)
Change in operating assets and liabilities:		
Accrued interest	1,158	(828)
Accounts receivable	(38,284)	-
Contributions receivable	(6,155,013)	(8,327,074)
Inventory	(337,279)	(14,161)
Prepaid expenses, deposits, and other assets	116,303	389,616
Accounts payable	2,651,886	608,922
Accrued liabilities	466,000	156,815
Net cash provided by operating activities	112,644,640	124,304,248
Cash flows from investing activities:		
Restoration of museum collections	(71,477)	(55,461)
Long-term artifact loan agreement	(138,585)	(387,645)
Purchases of prepublication costs	(2,581,524)	(2,979,077)
Purchases of property and equipment	(181,367,142)	(116,472,268)
	(184,158,728)	(119,894,451)
Cash flows from financing activities:		
Short-term loan	74,250,000	-
Gifts collected for capital expenditures	8,953,688	2,697,919
Net cash provided by financing activities	83,203,688	2,697,919
Net change in cash and cash equivalents	11,689,600	7,107,716
Cash and cash equivalents:		
Beginning of year	16,913,455	9,805,739
End of year	\$ 28,603,055	\$ 16,913,455
Supplemental data:		
Capital asset additions financed via accruals	\$ 26,973,718	\$ 35,272,328
Long-term artifact loan agreement restoration financed via accrued liabilities	\$ 138,585	\$ 78,444
Financing costs withheld from short-term loan proceeds	\$ 750,000	\$ -
Interest paid	\$ 3,269,777	\$ -

See notes to financial statements.

Museum of the Bible

Notes to the Financial Statements

Note 1. Significant Accounting Policies

Nature of operations: Museum of the Bible (the Museum) is a publicly supported not-for-profit organization headquartered in Oklahoma City, Oklahoma. The Museum is an innovative, global, educational institution whose purpose is to invite all people to engage with the history, narrative and impact of the Bible. The Museum has domestic and international traveling exhibits and in 2017, the Museum is scheduled to open its 430,000 square-foot nonprofit museum in Washington D.C., located three blocks from the Capitol. The Museum supports scholarships and academic research activities through its Scholars Initiative and through development of Bible curricula for domestic and international use.

Basis of presentation: The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Museum classifies its net assets, revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Net assets of the Museum and changes therein are classified and reported as follows:

Unrestricted net assets: Net assets that are generally not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by the Museum's Board of Directors.

Temporarily restricted net assets: Net assets subject to donor-imposed restrictions that may or will be met either by actions of the Museum and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. The amount of net assets identified as released from donor restrictions includes any amounts released whether received in the current year or prior periods. The Museum's temporarily restricted net assets are comprised of the following as of June 30:

	2017	2016
Permanent Museum	\$ 2,499,290	\$ 5,706,160
Research	2,021,413	1,724,012
Education	2,000,000	419,043
Time restricted	6,887,598	1,526,243
	<u>\$ 13,408,301</u>	<u>\$ 9,375,458</u>

Permanently restricted net assets: Net assets subject to donor-imposed permanent restrictions. Generally, the donors of these assets permit the Museum to use all or part of the income earned on related assets for specific or general purposes. The Museum has no permanently restricted net assets as of June 30, 2017 and 2016.

Cash and cash equivalents: Cash and cash equivalents include cash on hand, on deposit in demand, and interest-bearing accounts administered by the Museum with original maturities of three months or less. At June 30, 2017, the Museum had certain concentrations of credit risk with financial institutions in the form of uninsured cash and time deposits. For purposes of evaluating credit risk, the stability of financial institutions conducting business with the Museum is periodically reviewed, and management believes that credit risk related to the balances is minimal.

Certificates of deposit: Certificates of deposit are carried at cost which approximates fair value.

Inventory: Inventory consists of retail items sold through traveling exhibits or online and are valued at the lower of cost or market, using the average cost method.

Museum of the Bible

Notes to the Financial Statements

Note 1. Significant Accounting Policies (Continued)

Collections, restorations and loans: The Museum's collections consist of donated and purchased biblical artifacts, facsimiles and restoration costs for items held for public exhibition, education, or research in the furtherance of public service rather than financial gain; are protected, kept unencumbered, cared for and preserved in perpetuity and, as a result, their service potential is undiminished.

In conformity with accounting policies generally followed by museums with similar collections, the value of the Museum's collections has been excluded from the statement of financial position, and gifts of artifacts are excluded from revenue in the statement of activities. Purchases of artifacts for the collection by the Museum are recorded as decreases in net assets in the statement of activities. Proceeds from the deaccession of biblical artifacts are recorded as temporarily restricted net assets and are restricted to the acquisition of other biblical artifacts. Effective July 1, 2016, the Museum changed its accounting policy over collections (see Note 10).

Restoration costs are capitalized and depreciated over twenty years. Capitalized restoration costs of donated artifacts at June 30, 2017 and 2016 total \$457,622 and \$397,690, respectively. The Museum has entered into a separate restoration and loan agreement with a third party. Capitalized costs associated with this agreement at June 30, 2017 and 2016 are \$620,805 and \$609,260, respectively.

Property and equipment: Land, buildings and improvements, traveling exhibits, furniture and fixtures, durable equipment, computers and software are stated at cost. The Museum's capitalization policy includes purchases with a cost of \$5,000 or more and an estimated useful life of greater than one year. Assets are depreciated on the straight-line method over the estimated useful lives of the respective asset. Estimated lives for purposes of depreciation are as follows:

Buildings and improvements	Not in service
Traveling exhibits	5 to 10 years
Furniture and fixtures	7 to 10 years
Durable equipment	5 years
Software and computer equipment	3 years

The buildings and improvements will begin depreciation when placed into service.

Publication costs: The Museum's prepublication costs are comprised of costs associated with development of the Museum's Bible curriculum and publications and are evaluated for capitalization and subsequent amortization in accordance with Accounting Standards Codification (ASC) Topic 985, Software. The Museum's capitalization policy includes purchases with a cost of \$5,000 or more and an estimated useful life of greater than one year. As of June 30, 2017 and 2016, respectively, the Museum has \$4,355,786 and \$10,727,015 of capitalized prepublication costs related to development of its Bible curriculum. Once the Bible curriculum or publication is completed and placed in service, the costs are reclassified to publications in-service, and the Museum will begin amortizing it over its estimated useful life and expense the costs of maintenance and customer support.

As of June 30, 2017 and 2016, respectively, the Museum has \$9,648,792 and \$1,715,802 of publications in-service, which includes technology to allow for downloadable digital publications and the content of the publications themselves. Assets are depreciated or amortized on the straight-line method over the estimated useful lives of the respective asset. Estimated lives for purposes of amortization are 3 years for technology related to digital publications and 10 years for content of publications. Total amortization expense for the year ending June 30, 2017 and 2016 was \$1,105,353 and \$85,591, of which \$657,632 and \$52,227, respectively, has been recorded in cost of goods sold.

Museum of the Bible

Notes to the Financial Statements

Note 1. Significant Accounting Policies (Continued)

Museum operations: The Museum includes in its measure of operations all revenues and expenses that are an integral part of its programs and supporting activities.

Contributions and promises to give: Contributions, including promises to give are recorded as restricted support if they are received with donor stipulations that limit the use of the donated assets. Other similar contributions may not be accompanied by a donor stipulation but are time restricted until received. An allowance is recognized for uncollectible contributions based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience, and other relevant factors. At June 30, 2017 and 2016, the Museum has no recorded allowance. As of June 30, 2017 and 2016, the Museum has the following unconditional promises to give recorded as contributions receivable:

	2017	2016
Due in less than one year	\$ 10,486,588	\$ 2,781,979
Due in one to five years	4,880,999	8,046,595
Thereafter	1,616,000	-
	<u>16,983,587</u>	<u>10,828,574</u>
Less time value discount on pledge receivables	(867,590)	(458,153)
Net contributions receivable	<u>\$ 16,115,997</u>	<u>\$ 10,370,421</u>

Conditional promises to give are not recognized until the conditions on which they depend are substantially met. When a donor restriction expires, that is, when a stipulated purpose restriction is satisfied either by the passage of time or the actions of the Museum, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

The Museum reports gifts of long-lived assets as unrestricted support unless explicit donor stipulations specify how the donated asset must be used. Gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Admissions and gift shop sales: Admission and gift shop sales revenue is recorded when earned, which is the date of sale. Inventory is relieved at the time gift shop revenue is recognized.

Income tax status: The Museum is an organization exempt from federal income tax pursuant to Section 501 (a) of the Internal Revenue Code (the Code) as an organization described in Section 501(c)(3) of the Code. Provision has been made, where material, for any taxes due on unrelated business income. Management has evaluated their tax positions and concluded they have taken no uncertain tax positions that require recognition or disclosure in the financial statements.

Advertising costs: The Museum expenses the costs of advertising as incurred. For the years ended June 30, 2017, and 2016, advertising expense totaled \$5,248,593 and \$2,015,737, respectively. The increase from 2016 to 2017 is mainly due to a one-time media campaign related to the grand opening of the Museum's new permanent museum in November 2017 which was expensed as incurred per ASC 720-35-25.

Use of estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Museum of the Bible

Notes to the Financial Statements

Note 1. Significant Accounting Policies (Continued)

Subsequent events: The Museum has evaluated subsequent events through October 17, 2017, which is the date the financial statements were available to be issued. Other than what is disclosed in Note 4, there were no subsequent events requiring recognition or disclosure.

Reclassification: Certain amounts from 2016 have been reclassified to conform to 2017 presentations.

Note 2. Property and Equipment

Property and equipment are summarized as follows:

	2017	2016
Land	\$ 37,002,600	\$ 37,002,600
Building	13,399,877	13,379,888
Traveling exhibits	6,514,656	6,138,656
Furniture and fixtures	779,118	769,052
Durable equipment	785,938	807,771
Software and computer equipment	923,556	683,540
Construction in progress:		
Permanent museum	383,205,118	214,073,964
	442,610,863	272,855,471
Less accumulated depreciation	(6,368,953)	(4,606,567)
Net property and equipment	<u>\$ 436,241,910</u>	<u>\$ 268,248,904</u>

In July 2012, the Museum acquired a building in Washington D.C. to serve as its permanent museum. The acquisition price totaled \$50,360,855 of which \$37,002,600 was allocated to land and \$13,358,255 allocated to the building. As the building has not been utilized for its intended use since its acquisition and, the building requires substantial renovation for it to be in condition for its intended use, the building has not been depreciated since acquisition. It is anticipated that the building will not be depreciated until all renovations are complete and the Museum's permanent Washington D.C. location is opened.

Note 3. Funds Held by Others

The Museum has a Single Charity Fund Agreement (the Museum Foundation) at the National Christian Charitable Foundation, Inc. (NCF). Individuals and other organizations may contribute to the NCF and designate their contributions to benefit the Museum Foundation. All funds held in the Museum Foundation are the property of NCF. NCF retains full and unlimited control, use, and distribution of the assets of the fund. Further, NCF may distribute the Museum Foundation assets in contravention of the Museum's Single Charity Fund Agreement to the extent it determines that such a restriction is unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served.

Due to the conditions outlined above, assets held in the Museum Foundation are not reflected as assets of the Museum in the accompanying statements of financial position. As of June 30, 2017 and 2016, the Museum Foundation held \$15,175 and \$2,966,210 designated for the benefit of the Museum.

The Museum has received conditional promises to give to the Museum Foundation. Future amounts expected under the conditional promises total \$110.4 million at June 30, 2017. Management expects these amounts to be received within the next fiscal year as needed to fund Museum operations.

Museum of the Bible

Notes to the Financial Statements

Note 4. Loan Agreements

On July 18, 2016, the Museum entered into a loan agreement with a private lending institution for a twelve month, \$75,000,000 loan due August 1, 2017. The loan includes a 1.0 percent origination fee and a minimum floating interest rate of 4.50 percent tied to the Wall Street Journal Prime index (5.0 percent at June 30, 2017). The loan proceeds have been used to fund capital needs related to the construction of the Museum's new permanent museum in Washington DC with any interest and fees capitalized. The loan is not collateralized but has been guaranteed by a trust controlled by a third party to the satisfaction of the lender.

On August 1, 2017, the Museum repaid the previous \$75,000,000 loan from the private lending institution with cash and proceeds from a new lending arrangement from a local bank. Under that arrangement, the Museum has a \$50,000,000 loan with principal due in eight annual payments beginning July 31, 2018. Interest is due quarterly beginning September 30, 2017 at a rate of 1.85 percent over the one month LIBOR rate (3.08 percent as of August 1, 2017). An administrative and commitment fee of .20 percent on the \$50,000,000 loan has been recognized and will be amortized over the life of the loan.

In addition, on August 1, 2017, the Museum entered into a \$25,000,000 revolving line of credit arrangement to be used to fund operational needs as necessary. The revolving line of credit has a three year term and is expected to be renewed as required prior to each maturity date. Interest is computed on the daily outstanding principal balance of indebtedness at a rate of 1.85 percent over the one month LIBOR rate (3.08 percent as of August 1, 2017). Interest is due on the same dates as the amortizing portion of the debt. An administrative and commitment fee of .20 percent on the full \$25,000,000 commitment has been recognized and will be amortized over the life of the line of credit.

Both the new loan and line of credit are not collateralized by assets but assets may not be pledged on any future debt without written authorization by the lender. Both the loan and line of credit have been guaranteed by a trust controlled by a third party to the satisfaction of the lender.

Note 5. Related Party Transactions

The Museum engages in business transactions with three of its board members and/or companies they control for goods and services, at fair value, that it would purchase or provide in the ordinary course of business.

The Museum's leasing arrangements include (a) office space in Oklahoma City with one-year terms and options to renew, (b) office space in Washington D.C. through December 2017 and options to renew, and (c) exhibit sublease space for its traveling exhibits with month-to-month terms.

The Museum's services agreement provides for the curation of biblical artifacts on a month-to-month basis. The monthly rate was amended in January 2016 and is currently \$100,000 per month.

A summary of the expenses (revenue/cost recovery) related to these agreements and other transactions between the Museum and its related parties is as follows:

	2017	2016
Curatorial services	\$ (1,200,000)	\$ (1,107,474)
Office lease and other leasing expenses	604,317	553,486
Public relations services	251,299	245,333
Other expenses	129,800	715,536
	<u>\$ (214,584)</u>	<u>\$ 406,881</u>

Museum of the Bible

Notes to the Financial Statements

Note 5. Related Party Transactions (Continued)

In connection with the construction of the permanent museum, during 2017 and 2016 the Museum incurred \$2,424,246 and \$4,518,276, respectively, of construction related costs from a related party that have been capitalized as part of the permanent museum.

As of June 30, 2017 and 2016, the Museum had related party receivables of \$-0- and \$200,000. As of June 30, 2017 and 2016, the Museum had related party payables of \$22,004 and \$4,865,359.

Note 6. Commitments and Contingencies

As discussed in Note 2, the Museum has acquired a facility in Washington D.C. that is being transformed from commercial real estate into a 430,000 square foot permanent museum to educate the public and showcase the Museum's biblical artifacts. As part of the conversion from commercial real estate to a world-class museum, the Museum has entered into multiple contracts for architecture, construction, design, exhibit fabrication, and other ancillary services. The Museum has finalized most contracts. As of June 30, 2017, the Museum has approximately \$60 million of outstanding commitments on existing construction and designer contracts for the permanent museum.

As discussed in Note 1, the Museum is in the process of developing a Bible curriculum. Various contracts have been executed related to this project's development. The Museum estimates the total costs subject to current and future project contracts to be \$1.8 to \$2.0 million. As of June 30, 2017, the Museum has approximately \$580,000 of outstanding commitments on existing software and hardware contracts for the curriculum.

The Museum has an outstanding contractual commitment of approximately \$3.2 million for a grant to fund research services in Israel as of June 30, 2017.

In connection with certain construction commitments discussed above, the Museum has issued irrevocable letters of credits of \$391,272, which are collateralized by certificates of deposits totaling \$392,864.

The Museum occasionally becomes involved in various claims and legal disputes arising in the normal course of business. The Museum's management does not believe that the outcome of these matters will have a material adverse impact on the Museum's financial position.

Note 7. Employee Benefit Plan

The Museum maintains and offers a defined contribution retirement plan with a 401(k) feature. Substantially all employees meeting certain age and service requirements are eligible to participate in the 401(k) plan. The Museum provides a discretionary match of 50 percent on an employee's contribution, up to a maximum of 6 percent of their income. The Museum incurred minimal expense associated with the 401(k) plan in 2017 and 2016.

Museum of the Bible

Notes to the Financial Statements

Note 8. Expenses by Functional Classification

Expenses by functional classification for the years ended June 30, 2017 and 2016 are as follows:

	2017	2016
Museum operating expenses, excluding depreciation	\$ 48,308,057	\$ 35,969,592
Depreciation	2,252,091	1,776,195
	<u>\$ 50,560,148</u>	<u>\$ 37,745,787</u>
Museum program expenses:		
Traveling exhibits	\$ 2,970,771	\$ 3,772,572
Museum collections	3,031,136	2,370,761
Research	2,898,445	1,711,313
Permanent museum	5,307,608	998,204
Education	6,332,155	4,115,662
Cost of sales	660,468	156,926
	<u>21,200,583</u>	<u>13,125,438</u>
Supporting services:		
Management and general	14,983,155	10,296,201
Fundraising	14,376,410	14,324,148
	<u>29,359,565</u>	<u>24,620,349</u>
	<u>\$ 50,560,148</u>	<u>\$ 37,745,787</u>

Note 9. Concentrations

For the years ended June 30, 2017 and 2016, respectively, the Museum received 85 and 89 percent of its contributions from one donor.

Note 10. Accounting Changes

On July 1, 2016, the Museum elected to change its policy over collections to no longer recognize donated or purchased artifacts in the statement of financial position (see Note 1). Prior to July 1, 2016, the Museum's policy was to capitalize donated and purchased biblical artifacts in the statement of financial position and record contributions of artifacts at fair value at the date of receipt when acquired by donation or at cost when purchased by the Museum. The Museum has elected to derecognize donated and purchased biblical artifacts in accordance with accounting policies generally followed by museums with similar collections. Thus, the value of the Museum's donated and purchased biblical artifacts have been excluded from the statement of financial position as of June 30, 2016 and beginning net assets as disclosed in the statement of activities has been reduced by \$200,339,843 from \$342,285,413 to \$141,945,570.

Museum of the Bible

Notes to the Financial Statements

Note 10. Accounting Changes (Continued)

The prior year statement of financial position was affected by the change in accounting principle as follows.

	As Originally Reported 2016	As Currently Reported 2016	Effect of Change
Assets			
Cash and cash equivalents	\$ 16,913,455	\$ 16,913,455	\$ -
Certificates of deposit	394,022	394,022	-
Accounts receivable	213,999	213,999	-
Contributions receivable, net	10,370,421	10,370,421	-
Inventory	85,748	85,748	-
Prepaid expenses, deposits, and other assets	2,316,890	2,316,890	-
Museum collections, net	201,212,721	872,878	200,339,843
Publication costs:			
Prepublication costs	10,727,015	10,727,015	-
Publications in-service, net	1,715,802	1,715,802	-
Property and equipment, net	268,248,904	268,248,904	-
Total assets	\$ 512,198,977	\$ 311,859,134	\$ 200,339,843
Liabilities and Net Assets			
Liabilities:			
Accounts payable	\$ 20,046,950	\$ 20,046,950	\$ -
Accrued liabilities	17,964,313	17,964,313	-
Total liabilities	38,011,263	38,011,263	-
Net assets:			
Unrestricted	464,812,257	264,472,414	200,339,843
Temporarily restricted	9,375,458	9,375,458	-
Total net assets	474,187,715	273,847,872	200,339,843
Total liabilities and net assets	\$ 512,198,978	\$ 311,859,134	\$ 200,339,843

