

# BIBLEPROJECT

Financial Statements  
With Independent Auditors' Report

September 30, 2024 and 2023

# BIBLEPROJECT

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
BibleProject  
Lake Oswego, Oregon

### ***Opinion***

We have audited the accompanying financial statements of BibleProject, which comprise the statements of financial position as of September 30, 2024 and 2023, and the related statements of activities 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 BibleProject as of September 30, 2024 and 2023, 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of BibleProject 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 these 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 BibleProject's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' 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 auditors' 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.
- 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 BibleProject'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 BibleProject'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.

*Capin Crouse LLP*

Colorado Springs, Colorado  
November 22, 2024

# BIBLEPROJECT

## Statements of Financial Position

	September 30,	
	2024	2023
<b>ASSETS:</b>		
Current assets:		
Cash and cash equivalents	\$ 8,276,085	\$ 4,036,539
Investments	15,799,638	15,144,375
Grants receivable	750,000	1,250,000
Prepaid expenses and other assets	377,235	200,858
Inventory	133,595	259,750
	<u>25,336,553</u>	<u>20,891,522</u>
Operating lease-right-of-use asset	432,307	620,210
Intangible assets-net	73,941	369,707
Video production costs-net	3,814,768	3,198,661
Property and equipment-net	<u>917,836</u>	<u>1,232,410</u>
Total Assets	<u><u>\$ 30,575,405</u></u>	<u><u>\$ 26,312,510</u></u>
<b>LIABILITIES AND NET ASSETS:</b>		
Current liabilities:		
Accounts payable	\$ 354,459	\$ 437,188
Accrued expenses	809,805	732,805
Operating lease obligation-current portion	<u>190,493</u>	<u>187,903</u>
	<u>1,354,757</u>	<u>1,357,896</u>
Operating lease obligation-net of current portion	<u>241,814</u>	<u>432,307</u>
Total liabilities	<u>1,596,571</u>	<u>1,790,203</u>
Net assets:		
Without donor restrictions	28,054,147	21,001,718
With donor restrictions	<u>924,687</u>	<u>3,520,589</u>
Total net assets	<u>28,978,834</u>	<u>24,522,307</u>
Total Liabilities and Net Assets	<u><u>\$ 30,575,405</u></u>	<u><u>\$ 26,312,510</u></u>

See notes to financial statements

# BIBLEPROJECT

## Statements of Activities

	Year Ended September 30,					
	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE, AND RECLASSIFICATIONS:						
Contributions	\$ 28,602,976	\$ 1,355,950	\$ 29,958,926	\$ 23,637,173	\$ 2,673,235	\$ 26,310,408
Product sales	234,467	-	234,467	293,692	-	293,692
Investment and other income	819,396	-	819,396	535,982	-	535,982
Net assets released from restriction	3,951,852	(3,951,852)	-	2,835,093	(2,835,093)	-
Total Support, Revenue, and Reclassifications	33,608,691	(2,595,902)	31,012,789	27,301,940	(161,858)	27,140,082
EXPENSES:						
Salaries and benefits	17,160,207	-	17,160,207	15,684,510	-	15,684,510
Contractors	2,857,358	-	2,857,358	2,109,703	-	2,109,703
Depreciation and amortization	1,768,913	-	1,768,913	1,621,981	-	1,621,981
Internet data hosting and software	1,183,251	-	1,183,251	932,116	-	932,116
Communications	745,941	-	745,941	655,660	-	655,660
Office and occupancy	670,655	-	670,655	605,080	-	605,080
Bank fees	515,937	-	515,937	437,205	-	437,205
Publishing	511,441	-	511,441	384,578	-	384,578
Travel	440,420	-	440,420	345,806	-	345,806
Other	288,962	-	288,962	172,318	-	172,318
Events and conferences	279,526	-	279,526	126,549	-	126,549
Professional services and subscriptions	133,651	-	133,651	182,881	-	182,881
Total Expenses	26,556,262	-	26,556,262	23,258,387	-	23,258,387
Change in Net Assets	7,052,429	(2,595,902)	4,456,527	4,043,553	(161,858)	3,881,695
Net Assets, Beginning of Year	21,001,718	3,520,589	24,522,307	16,958,165	3,682,447	20,640,612
Net Assets, End of Year	\$ 28,054,147	\$ 924,687	\$ 28,978,834	\$ 21,001,718	\$ 3,520,589	\$ 24,522,307

See notes to financial statements

# BIBLEPROJECT

## Statements of Cash Flows

	Year Ended September 30,	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 4,456,527	\$ 3,881,695
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	1,768,913	1,621,981
Loss on disposal of video production costs	37,702	-
Gain on investments	(655,263)	-
Net change in:		
Grants receivable	500,000	(250,000)
Prepaid expenses and other assets	(176,377)	(26,652)
Inventory	126,155	(10,838)
Accounts payable	(82,729)	35,193
Accrued expenses	77,000	(430,308)
Net Cash Provided by Operating Activities	<u>6,051,928</u>	<u>4,821,071</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of investments	-	(15,144,374)
Purchases of property and equipment	(41,808)	(1,601,751)
Payments for video production	<u>(1,770,574)</u>	<u>(175,274)</u>
Net Cash Used by Investing Activities	<u>(1,812,382)</u>	<u>(16,921,399)</u>
Change in Cash and Cash Equivalents	4,239,546	(12,100,328)
Cash and Cash Equivalents, Beginning of Year	<u>4,036,539</u>	<u>16,136,867</u>
Cash and Cash Equivalents, End of Year	<u>\$ 8,276,085</u>	<u>\$ 4,036,539</u>

See notes to financial statements

# **BIBLEPROJECT**

## **Notes to Financial Statements**

September 30, 2024 and 2023

1. **NATURE OF ORGANIZATION:**

BibleProject (the Organization) is a nonprofit corporation organized under the laws of the State of Oregon. As a nonprofit organization, the Organization is exempt from federal income taxes under Internal Revenue Code (IRC) Section 501(c)(3). As such, it is also exempt from state income taxes. However, the Organization is subject to federal income tax on any unrelated business taxable income. In addition, the Organization has been classified as a publicly supported organization, which is not a private foundation under Section 509(a) of the IRC.

The purpose of the Organization is to help the whole world experience the Bible as one unified story that leads to Jesus. The Organization produces Bible videos, podcasts, articles, classes, and educational Bible resources to help make the biblical story accessible to everyone everywhere. The Organization does this by creating content and sharing content. They create various content including animation videos, classes, articles, and podcasts across their website and software applications. They share the content across the US through websites and around the world by localizing content into other cultures, countries, and languages. The Organization's primary source of revenue consists of contributions from individual donors.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The significant accounting policies adopted by the Organization are described below.

### **CASH AND CASH EQUIVALENTS**

For statements of financial position and cash flow purposes, cash and cash equivalents consist primarily of cash on hand and cash on deposit. At September 30, 2024 and 2023, the Organization's cash balances on deposit exceeded insured limits by approximately \$1,981,000 and \$1,634,000, respectively.

### **INVESTMENTS**

Investments consist of certificates of deposit with a maturity date greater than 90 days at the time of purchase. Certificates of deposit are carried at contract value plus accrued interest.

### **GRANTS RECEIVABLE**

Grants receivable is made up of grant contributions not yet received as of September 30, 2024 and 2023. As of September 30, 2024, the total amount of grants receivable was expected to be received within the year ending September 30, 2025.

### **INVENTORY**

Inventory consists of coffee table books and mugs. The Organization values its inventory at the lower of cost or net realizable value and uses the first-in, first-out method. At September 30, 2024 and 2023, there was no reserve for excess or obsolete inventory.



# BIBLEPROJECT

## Notes to Financial Statements

September 30, 2024 and 2023

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### OPERATING LEASE–RIGHT-OF-USE ASSET AND OBLIGATION

Some of the Organization's contracts contain the right to control the use of property or assets and are therefore considered leases. The Organization has elected the accounting policy election to exclude short-term leases with lease terms of twelve months or less. See additional disclosures in Note 4.

#### INTANGIBLE ASSETS

Intangible assets consist of capitalized software application costs incurred during the application development stage such as software design and configuration, coding, testing, and content creation. Expenses for intangible assets in excess of \$15,000 are capitalized at cost. Capitalization of costs ends when the project is substantially complete and ready for its intended use. Training and maintenance costs are expensed as incurred. Amortization is computed on the straight line method over the estimated useful lives of the assets, which is three years.

#### VIDEO PRODUCTION COSTS

Expenses for video production in excess of \$15,000 are capitalized at cost. Amortization is computed on the straight line method over the estimated useful lives of the assets, which is three years.

#### PROPERTY AND EQUIPMENT

Expenditures for property and equipment in excess of \$7,500 with an economic useful life that extends beyond twelve months are capitalized at cost. Depreciation and amortization is computed on the straight-line method over the estimated useful lives of the assets. Useful lives range from five to seven years for furniture and equipment and seven years for leasehold improvements.

#### NET ASSETS

The financial statements report amounts by class of net assets:

*Net assets without donor restrictions* are currently available at the discretion of the board for use in the Organization's operations.

*Net assets with donor restrictions* are stipulated by donors for specific operating purposes or projects or time restrictions.

All contributions are considered available for use without donor restriction unless specifically restricted by the donor.

# BIBLEPROJECT

## Notes to Financial Statements

September 30, 2024 and 2023

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### SUPPORT, REVENUE, AND EXPENSES

Contributions are recorded when cash or unconditional promises-to-give have been received, or ownership of donated assets is transferred to the Organization. Conditional promises-to-give are recognized as revenue when the conditions on which they depend are substantially met.

Contributions are recorded as with donor restrictions if they are received with donor stipulations that limit their use through purpose and/or time restrictions. When donor restrictions expire, that is when the purpose restriction is fulfilled or the time restriction expires, the net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Product sales and investment and other income are recorded when earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

#### USE OF ESTIMATES

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

### 3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the financial assets of the Organization as of September 30, 2024 and 2023, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year or are restricted for use beyond one year. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

	September 30,	
	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 8,276,085	\$ 4,036,539
Investments	15,799,638	15,144,375
Accounts receivable (included in other assets)	37,682	3,683
Grants receivable	750,000	1,250,000
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 24,863,405</u>	<u>\$ 20,434,597</u>

# BIBLEPROJECT

## Notes to Financial Statements

September 30, 2024 and 2023

### 4. OPERATING LEASE–RIGHT-OF-USE ASSET AND OBLIGATION:

The Organization leases office space under an operating lease expiring in December 2026. The discount rate represents the risk-free discount rate using a period comparable with that of the individual lease term on the inception date of the lease. Monthly payments under this lease total \$16,250.

	September 30,	
	2024	2023
Operating lease right-of-use asset	\$ 432,307	\$ 620,210
Operating lease obligation	\$ 432,307	\$ 620,210
Operating lease costs	\$ 195,000	\$ 195,000
Short-term lease costs	\$ 22,638	\$ 29,879
Weighted-average discount rate	1.37%	1.37%
Weighted-average remaining lease term	2.30	3.30

Future minimum lease payments required under the operating lease that has an initial or remaining non-cancelable lease term in excess of one year are as follows:

<u>Years Ending September 30,</u>	
2025	\$ 195,000
2026	195,000
2027	48,750
	<u>438,750</u>
Less: imputed interest	<u>(6,443)</u>
	<u>\$ 432,307</u>

### 5. INTANGIBLE ASSETS:

Intangible assets consists of:

	September 30,	
	2024	2023
Software application	\$ 887,297	\$ 887,297
Less accumulated amortization	<u>(813,356)</u>	<u>(517,590)</u>
	<u>\$ 73,941</u>	<u>\$ 369,707</u>

# BIBLEPROJECT

## Notes to Financial Statements

September 30, 2024 and 2023

6. VIDEO PRODUCTION COSTS:

Video production costs consists of:

	September 30,	
	2024	2023
Produced videos	\$ 9,469,220	\$ 7,736,348
Less accumulated amortization	(5,654,452)	(4,537,687)
	<u>\$ 3,814,768</u>	<u>\$ 3,198,661</u>

7. PROPERTY AND EQUIPMENT:

Property and equipment consists of:

	September 30,	
	2024	2023
Equipment and furniture	\$ 1,014,551	\$ 1,014,551
Leasehold improvements	1,422,619	1,380,809
	<u>2,437,170</u>	<u>2,395,360</u>
Less accumulated depreciation	(1,519,334)	(1,162,950)
	<u>\$ 917,836</u>	<u>\$ 1,232,410</u>

8. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consists of:

	September 30,	
	2024	2023
Video production	\$ 174,687	\$ 2,270,589
Video production with time restrictions	<u>750,000</u>	<u>1,250,000</u>
	<u>\$ 924,687</u>	<u>\$ 3,520,589</u>

# BIBLEPROJECT

## Notes to Financial Statements

September 30, 2024 and 2023

### 9. FUNCTIONAL ALLOCATION OF EXPENSES:

An allocation of expenses by natural classification for the year ended September 30, 2024 is:

	Program Services:			Supporting Activities:		
	Content Creation	Sharing	Total Program Services	General & Administrative	Fundraising	Total
Salaries and benefits	\$ 5,807,046	\$ 7,961,265	\$ 13,768,311	\$ 2,904,267	\$ 487,629	\$ 17,160,207
Contractors	1,207,682	1,463,151	2,670,833	170,418	16,107	2,857,358
Depreciation and amortization	1,116,765	295,766	1,412,531	356,382	-	1,768,913
Internet data hosting and software	118,498	801,806	920,304	262,588	359	1,183,251
Communications	9,349	729,521	738,870	6,403	668	745,941
Office and occupancy	245,169	202,050	447,219	206,521	16,915	670,655
Bank fees	-	-	-	515,937	-	515,937
Publishing	1,546	456,517	458,063	-	53,378	511,441
Travel	125,147	203,303	328,450	54,769	57,201	440,420
Other	36,819	107,664	144,483	127,960	16,519	288,962
Events and conferences	15,016	77,024	92,040	85,870	101,616	279,526
Professional services and subscriptions	-	-	-	133,651	-	133,651
	<u>\$ 8,683,037</u>	<u>\$ 12,298,067</u>	<u>\$ 20,981,104</u>	<u>\$ 4,824,766</u>	<u>\$ 750,392</u>	<u>\$ 26,556,262</u>

# BIBLEPROJECT

## Notes to Financial Statements

September 30, 2024 and 2023

### 9. FUNCTIONAL ALLOCATION OF EXPENSES, continued:

An allocation of expenses by natural classification for the year ended September 30, 2023 is:

	Program Services:			Supporting Activities:		
	Content Creation	Sharing	Total Program Services	General & Administrative	Fundraising	Total
Salaries and benefits	\$ 6,920,189	\$ 5,884,523	\$ 12,804,712	\$ 2,474,679	\$ 405,119	\$ 15,684,510
Contractors	1,327,930	692,522	2,020,452	88,951	300	2,109,703
Depreciation and amortization	1,271,737	-	1,271,737	350,244	-	1,621,981
Internet data hosting and software	89,489	493,428	582,917	342,225	6,974	932,116
Communications	8,576	499,980	508,556	146,826	278	655,660
Office and occupancy	182,912	156,900	339,812	255,913	9,355	605,080
Bank fees	2,056	491	2,547	434,658	-	437,205
Publishing	1,170	383,408	384,578	-	-	384,578
Travel	168,951	102,904	271,855	36,948	37,003	345,806
Professional services and subscriptions	-	-	-	182,881	-	182,881
Other	21,140	22,253	43,393	116,402	12,523	172,318
Events and conferences	28,632	41,115	69,747	36,054	20,748	126,549
	<u>\$ 10,022,782</u>	<u>\$ 8,277,524</u>	<u>\$ 18,300,306</u>	<u>\$ 4,465,781</u>	<u>\$ 492,300</u>	<u>\$ 23,258,387</u>

# **BIBLEPROJECT**

## **Notes to Financial Statements**

September 30, 2024 and 2023

### **10. RETIREMENT PLAN**

The Organization maintains a safe harbor 401(k) contribution retirement plan (the Plan) into which eligible employees can make voluntary contributions. The Organization matches 100% of employee contributions up to 3% and matches an additional 50% of employee contributions between 3% and 5% of eligible compensation for all eligible employees. Total contributions to the Plan by the Organization for the years ended September 30, 2024 and 2023 totaled approximately \$391,000 and \$327,000, respectively.

### **11. SUBSEQUENT EVENTS:**

Subsequent events have been evaluated through November 22, 2024, which represents the date the financial statements were available to be issued.