Open Library Foundation

Consolidated Financial Statements

June 30, 2025 and 2024

Contents

Independent Accountants' Review Report

The Board of Directors
Open Library Foundation
Philadelphia, Pennsylvania

We have reviewed the accompanying consolidated financial statements of Open Library Foundation (a nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024 and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Open Library Foundation and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Gilliam Bell Moser LLP

Certified Public Accountants
Burlington, North Carolina
January 12, 2026

Open Library Foundation
Consolidated Statements of Financial Position
(See Independent Accountants' Review Report)
June 30, 2025 and 2024

	2025	2024
Assets		
Cash	$ 684,511	$ 558,015
Contributions receivable - net	1,000	64,750
Prepaid expenses	58,423	52,884
Total assets	$ 743,934	$ 675,649
Liabilities		
Accounts payable	$ 7,172	$ 4,500
Other current liabilities	-	184
Deferred revenue	9,550	35,050
Total liabilities	16,722	39,734
Net assets		
Without donor restrictions	602,895	475,415
With donor restrictions	124,317	160,500
Total net assets	727,212	635,915
Total liabilities and net assets	$ 743,934	$ 675,649

The accompanying notes are an integral part of these consolidated financial statements.

Open Library Foundation
Consolidated Statements of Activities
(See Independent Accountants' Review Report)
For the Years Ended June 30, 2025 and 2024

	2025	2024
Change in Net Assets Without Donor Restrictions:		
Support and revenue:		
Contributions	$ 535,219	$ 461,846
In-kind contributions	68,259	-
Registration fees	104,676	69,160
Program service fees	8,100	13,500
Dividends and interest	11,175	33
Miscellaneous	4,113	2,498
Net assets released from restrictions	148,183	179,750
Total support and revenue	879,725	726,787
Expenses:		
Program services	673,607	458,402
Management and general	78,638	53,230
Total expenses	752,245	511,632
Increase in net assets without donor restrictions	127,480	215,155
Change in Net Assets With Donor Restrictions:		
Contributions	112,000	19,500
Net assets released from restrictions	(148,183)	(179,750)
Decrease in net assets with donor restrictions	(36,183)	(160,250)
Total increase in net assets	$ 91,297	$ 54,905
Net assets - beginning	635,915	581,010
Net assets - ending	$ 727,212	$ 635,915

The accompanying notes are an integral part of these consolidated financial statements.

Open Library Foundation
Consolidated Statements of Functional Expenses
(See Independent Accountants' Review Report)
For the Years Ended June 30, 2025 and 2024

	2025			2024		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Bad debt	$ 3,500	$ -	$ 3,500	$ 2,000	$ -	$ 2,000
Conferences	137,325	15,258	152,583	132,512	14,724	147,236
Contract expenses	28,673	-	28,673	15,539	-	15,539
Information technology	468,367	52,041	520,408	281,549	31,283	312,832
Office expense	-	2,519	2,519	-	1,147	1,147
Professional fees	26,459	8,820	35,279	18,227	6,076	24,303
Program fees	8,100	-	8,100	8,100	-	8,100
Travel	1,183	-	1,183	475	-	475
Total expenses	$ 673,607	$ 78,638	$ 752,245	$ 458,402	$ 53,230	$ 511,632

The accompanying notes are an integral part of these consolidated financial statements.

Open Library Foundation
Consolidated Statements of Cash Flows
(See Independent Accountants' Review Report)
For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Increase in net assets	$ 91,297	$ 54,905
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Contributions receivable - net	63,750	28,000
Prepaid expenses	(5,539)	44,678
Accounts payable	2,672	(54,433)
Other current liabilities	(184)	(18,197)
Deferred revenue	(25,500)	1,790
Net cash provided by operating activities	126,496	56,743
Net increase in cash	126,496	56,743
Cash - beginning	558,015	501,272
Cash - ending	$ 684,511	$ 558,015

The accompanying notes are an integral part of these consolidated financial statements.

Note 1: Summary of Significant Accounting Policies

Nature of organization - Open Library Foundation ("the Organization") is a nonprofit organization that enables the development, accessibility and sustainability of open source and open access projects for and by libraries. The Organization seeks to enable and support creative collaboration among librarians, technologists, designers, service providers and vendors to share expertise and resources and to create innovative new software and resources that support libraries.

Principles of consolidation - The consolidated financial statements and related disclosures include the accounts of Open Library Foundation and its wholly owned subsidiaries, OLF FOLIO SMLLC formed September 8, 2020, OLF VuFind SMLLC formed February 10, 2022, and OLF Bitcurator Consortium LLC, formed March 24, 2025 ("the Subsidiaries"). The subsidiaries are a collaboration of libraries, developers, and vendors building an open-source library services platform supported by the Open Library Foundation. All intercompany transactions and balances are eliminated.

OLF FOLIO SMLLC had net assets at June 30, 2025 and 2024 of $349,964 and $419,913, respectively, and an increase (decrease) in net assets for the years ended June 30, 2025 and 2024 of $(69,949) and $49,965, respectively.

OLF VuFind SMLLC had net assets at June 30, 2025 and 2024 of $20,017 and $17,694, respectively, and an increase in net assets of $2,323 and $9,191 for the years ended June 30, 2025 and 2024, respectively.

OLF Bitcurator Consortium LLC had net assets and correspondingly, an increase in net assets for the year ended June 30, 2025 of $88,013.

Use of estimates - The preparation of consolidated 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.

Cash - Cash includes all cash balances held in financial institutions. Periodically during the year, the Organization may have credit risk exposure resulting from balances in excess of federally insured limits of $250,000.

Contributions receivable - net - Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Bad debts are written off when the Organization determines an account to be uncollectible. The Organization estimates expected credit losses at each balance sheet date based on the aging of receivables and is adjusted for the Organization's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors it deems relevant. The allowance for credit losses was $0 and $2,000 as of June 30, 2025 and 2024, respectively. Bad debt expense was $3,500 and $2,000 for the years ended June 30, 2025 and 2024, respectively.

Contributed services and in-kind gifts - The Organization receives a substantial amount of services donated by individuals who assist with the Organization's program services. No amounts have been recorded in the consolidated financial statements for these services since they do not meet recognition criteria prescribed by generally accepted accounting principles. During the year, the Organization received in-kind contributions in the form of expenses paid directly by donors on behalf of the Organization. These contributions are recognized at fair value as in-kind contributions revenue in the statement of activities.

Note 1: Summary of Significant Accounting Policies (continued)

Functional allocation of expenses - The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Net assets - Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets available for use in general operations and not subject to donor restrictions.

Net assets with donor restrictions - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (i.e., when a stipulated time restriction ends or a purpose restriction is accomplished) in the year in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When the restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Revenue recognition - Registration fees relate to contracts where performance obligations represent a conference provided to attendees for a fee. The Organization recognizes revenue in the period in which the event occurs. The Organization deems the use of this input method to be a faithful depiction of the transfer of services over the performance obligation period. The Organization determines the transaction price based on its established charges for attendance.

Payments received prior to fiscal year-end and prior to the rendered event create contract liabilities for the Organization, and these payments are recorded as deferred revenue. The Organization expects to recognize these amounts as revenue after performance obligations are satisfied within the next fiscal year.

Program service fees relate to contracts where performance obligations represent support provided to member organizations. The Organization recognizes revenue over time as services (inputs) are provided to the member organization in the period in which the services are rendered. The Organization deems the use of this input method to be a faithful depiction of the transfer of services to the Organization over the performance obligation period. The Organization determines the transaction price based on its established charges for member support.

Note 2: Available Resources and Liquidity

The following reflects the Organization's financial assets as of year-end, reduced by amounts not available for general use due to donor-imposed restrictions:

	2025	2024
Cash	$ 684,511	$ 558,015
Contributions receivable - net	1,000	64,750
Total available resources	685,511	622,765
Less assets to fund donor restrictions	124,317	160,500
Total resources available for general use	$ 561,194	$ 462,265

The Organization routinely receives support from various donors that is more than sufficient to fund operating expenses. Furthermore, management and the Board monitor support through routine review of the annual budget.

Note 3: Income Tax

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state laws. Therefore, no income taxes are reflected in the accompanying consolidated financial statements. Management is unaware of any uncertain tax position in the consolidated financial statements that would jeopardize the Organization's tax-exempt status or otherwise requires disclosure.

Note 4: Net Assets with Donor Restrictions

The following is summary of net assets with donor restrictions available for the following purposes:

	2025	2024
Restricted for OLF travel fund	$ 42,317	$ 43,000
Time restriction on use	82,000	117,500
Total net assets with donor restrictions	$ 124,317	$ 160,500

Note 5: Functional Expenses

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All expenses are allocated based on the estimates of time and effort.

Note 6: Concentrations

For the year ended June 30, 2025, there were no donor concentrations. For the year ended June 30, 2024, one donor accounted for 30% of contributions and the same donor accounted for 84% of the outstanding contributions receivable balance at year end.

Note 7: Subsequent Events

The Organization has evaluated events and transactions that occurred between June 30, 2025 and January 12, 2026 which is the date that the consolidated financial statements were available to be issued, for possible recognition or disclosure in the consolidated financial statements.