

**METAFOUNDATION
dba POST CARBON INSTITUTE**

FINANCIAL STATEMENTS

Years Ended December 31, 2018 and 2017

**ANDERSON GROUP
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**METAFOUNDATION
dba POST CARBON INSTITUTE**

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Partners
Kristen P. Gose, CPA
Alyce Chapman, CPA

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Metafoundation dba Post Carbon Institute
Corvallis, Oregon

We have audited the accompanying financial statements of Metafoundation dba Post Carbon Institute (the "Institute"), an Oregon not-for-profit corporation, which are comprised of the statement of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses 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 the 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 audit. We conducted our audit 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 auditor considers 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 Institute as of December 31, 2018 and 2017, 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.

Anderson Group CPAs, LLC

April 30, 2019

Member of American Institute of Certified Public Accountants

METAFOUNDATION dba POST CARBON INSTITUTE
Statement of Financial Position
As of December 31,

	2018	2017
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 351,076	\$ 436,760
Certificates of Deposit	101,609	-
Investments	-	-
Contributions Receivable	40,042	25,625
Grants Receivable	200,000	320,000
Inventories	-	-
Prepaid Expenses	9,956	8,860
Total Current Assets	702,683	791,245
Property and Equipment		
Computers	31,418	25,998
Furniture and Equipment	9,736	8,849
Total Property and Equipment	41,154	34,847
Less: Accumulated Depreciation	(35,064)	(33,648)
Net Property and Equipment	6,090	1,199
Other Assets		
Grants Receivable - Long Term	-	200,000
Deposits	1,000	1,000
Total Other Assets	1,000	201,000
TOTAL ASSETS	\$ 709,773	\$ 993,444
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 6,007	\$ 6,367
Accrued Vacation	16,304	13,224
Total Current Liabilities	22,311	19,591
TOTAL LIABILITIES	\$ 22,311	\$ 19,591
NET ASSETS		
Without Donor Restrictions	\$ 477,462	\$ 348,853
With Donor Restrictions		
Purpose Restrictions	10,000	-
Time-Restricted For Future Periods	200,000	625,000
Total Net Assets With Donor Restrictions	210,000	625,000
TOTAL NET ASSETS	687,462	973,853
TOTAL LIABILITIES AND NET ASSETS	\$ 709,773	\$ 993,444

See accompanying notes to financial statements.

METAFOUNDATION dba POST CARBON INSTITUTE
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2018

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Foundation and Community Grants	\$ 283,018	\$ 10,000	\$ 293,018
Contributions	61,061	-	61,061
Publication Revenue	8,140	-	8,140
Fees and Other Income	32,626	-	32,626
Investment Income	1,870	-	1,870
Net Assets Released from Restrictions	425,000	(425,000)	-
Total Support and Revenue	811,715	(415,000)	396,715
EXPENSES			
Program Services			
The Energy Transition	140,468	-	140,468
Community Resilience	294,116	-	294,116
Essays & Articles	76,310	-	76,310
Total Program Services	510,894	-	510,894
General and Administrative	90,681	-	90,681
Fundraising	81,531	-	81,531
Total Supporting Services	172,212	-	172,212
Total Expenses	683,106	-	683,106
Change in Net Assets	128,609	(415,000)	(286,391)
Net Assets, Beginning of the Year	348,853	625,000	973,853
Net Assets, End of the Year	\$ 477,462	\$ 210,000	\$ 687,462

See accompanying notes to financial statements.

METAFOUNDATION dba POST CARBON INSTITUTE
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2017

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Foundation and Community Grants	\$ 435,099	\$ 525,000	\$ 960,099
Contributions	57,922	-	57,922
Publication Revenue	10,881	-	10,881
Fees and Other Income	21,858	-	21,858
Investment Income	1,101	-	1,101
Net Assets Released from Restrictions	115,000	(115,000)	-
Total Support and Revenue	641,861	410,000	1,051,861
EXPENSES			
Program Services			
The Energy Transition	178,961	-	178,961
Community Resilience	307,541	-	307,541
Fellows	4,253	-	4,253
Essays & Articles	60,707	-	60,707
Total Program Services	551,462	-	551,462
General and Administrative	108,524	-	108,524
Fundraising	52,885	-	52,885
Total Supporting Services	161,409	-	161,409
Total Expenses	712,871	-	712,871
Change in Net Assets	(71,010)	410,000	338,990
Net Assets, Beginning of the Year	419,863	215,000	634,863
Net Assets, End of the Year	\$ 348,853	\$ 625,000	\$ 973,853

See accompanying notes to financial statements.

METAFOUNDATION dba POST CARBON INSTITUTE
Statement of Functional Expenses
For the Year Ended December 31, 2018

	<u>Program Services</u>			Total Program Services	<u>Supporting Services</u>		Total Supporting Services	Total Expenses
	<u>The Energy Transition</u>	<u>Community Resilience</u>	<u>Essays & Articles</u>		<u>General and Administrative</u>	<u>Fund- Raising</u>		
Compensation	\$ 99,307	\$ 196,809	\$ 62,456	\$ 358,572	\$ 62,340	\$ 65,607	\$ 127,947	\$ 486,519
Employee benefits	8,293	15,403	4,135	27,831	4,843	4,073	8,916	36,747
Payroll taxes	7,970	15,684	5,089	28,743	5,089	5,139	10,228	38,971
Total Personnel Costs	115,570	227,896	71,680	415,146	72,272	74,819	147,091	562,237
Bank/Credit Card Charges	-	-	-	-	3,274	-	3,274	3,274
Contract Services	13,776	41,510	25	55,311	9,500	100	9,600	64,911
Creative and Media Communication	1,261	5,488	291	7,040	339	287	626	7,666
Depreciation	288	614	160	1,062	184	170	354	1,416
Insurance	860	1,584	426	2,870	499	415	914	3,784
Office Expenses	567	970	173	1,710	1,177	159	1,336	3,046
Postage and Shipping	581	96	18	695	14	51	65	760
Occupancy	2,892	5,312	1,430	9,634	1,667	1,404	3,071	12,705
Supplies	1,975	4,429	1,119	7,523	1,083	874	1,957	9,480
Travel and Entertainment	1,250	3,565	277	5,092	88	2,760	2,848	7,940
Telephone and Internet	1,448	2,652	711	4,811	584	492	1,076	5,887
Total	<u>\$ 140,468</u>	<u>\$ 294,116</u>	<u>\$ 76,310</u>	<u>\$ 510,894</u>	<u>\$ 90,681</u>	<u>\$ 81,531</u>	<u>\$ 172,212</u>	<u>\$ 683,106</u>

See accompanying notes and accountant's report.

METAFOUNDATION dba POST CARBON INSTITUTE
Statement of Functional Expenses
For the Year Ended December 31, 2017

	<u>Program Services</u>				Total Program Services	<u>Supporting Services</u>		Total Supporting Services	Total Expenses
	<u>The Energy Transition</u>	<u>Community Resilience</u>	<u>Fellows</u>	<u>Essays & Articles</u>		<u>General and Administrative</u>	<u>Fund- Raising</u>		
Compensation	\$ 96,984	\$ 186,852	\$ 3,291	\$ 48,981	\$ 336,108	\$ 73,030	\$ 37,827	\$ 110,857	\$ 446,965
Employee benefits	8,938	14,698	254	2,935	26,825	6,531	2,209	8,740	35,565
Payroll taxes	8,406	15,703	301	4,026	28,436	6,508	3,161	9,669	38,105
Total Personnel Costs	114,328	217,253	3,846	55,942	391,369	86,069	43,197	129,266	520,635
Bank/Credit Card Charges	147	210	5	47	409	3,648	34	3,682	4,091
Contract Services	43,815	31,020	49	550	75,434	9,393	318	9,711	85,145
Creative and Media Communication	7,243	31,696	5	61	39,005	94	46	140	39,145
Depreciation	177	335	6	86	604	133	67	200	804
Insurance	916	1,506	24	301	2,747	584	229	813	3,560
Office Expenses	289	1,514	1	21	1,825	394	841	1,235	3,060
Postage and Shipping	25	882	1	6	914	34	172	206	1,120
Occupancy	4,693	7,657	136	1,535	14,021	3,022	1,152	4,174	18,195
Supplies	2,349	4,550	60	720	7,679	1,685	685	2,370	10,049
Travel and Entertainment	3,137	7,839	72	854	11,902	2,702	5,839	8,541	20,443
Telephone and Internet	1,842	3,079	48	584	5,553	766	305	1,071	6,624
Total	\$ 178,961	\$ 307,541	\$ 4,253	\$ 60,707	\$ 551,462	\$ 108,524	\$ 52,885	\$ 161,409	\$ 712,871

See accompanying notes and accountant's report.

META FOUNDATION dba POST CARBON INSTITUTE
Statement of Cash Flows
For the Years Ended December 31,

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (286,391)	\$ 338,990
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	1,416	804
Interest earned on Certificate of Deposit	(1,609)	-
Increase in Contributions Receivable	(14,417)	(8,462)
Decrease (Increase) in Grants Receivable	120,000	(220,000)
(Increase) Decrease in Prepaid Expenses	(1,096)	80
Decrease (Increase) in Grants Receivable - Long Term	200,000	(100,000)
Decrease in Deposits	-	800
Decrease in Accounts Payable	(360)	(14,952)
Increase in Accrued Vacation	3,080	923
Total Adjustments	307,014	(340,807)
Net Cash Provided (Used) by Operating Activities	20,623	(1,817)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(6,307)	(1,026)
Purchase of Certificate of Deposit	(100,000)	-
Proceeds from the sale of Certificate of Deposit	-	100,000
Net Cash Provided (Used) by Investing Activities	(106,307)	98,974
Net Increase (Decrease) in Cash and Cash Equivalents	(85,684)	97,157
Cash and Cash Equivalents at Beginning of Year	436,760	339,603
Cash and Cash Equivalents at End of Year	\$ 351,076	\$ 436,760

See accompanying notes to financial statements.

METAFOUNDATION dba POST CARBON INSTITUTE
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 1 – ORGANIZATION

Metafoundation dba Post Carbon Institute (the “Institute”) was established in 2003 in the State of Oregon.

The Institute provides individuals, communities, businesses, and governments with the resources needed to understand and respond to the interrelated economic, energy, and environmental crises that define the 21st century. The Institute envisions a world of resilient communities and re-localized economies that thrive within ecological bounds.

The Institute has established the following programs and initiatives:

Energy Transition

The transition from using fossil fuels to power our society to using renewable sources of energy is inevitable, but Post Carbon Institute is working to speed this transition and prepare people for the changes that will come along with it. We can no longer ignore the rising financial, social, and environmental costs of fossil fuels. At the same time, we need to be realistic and scientifically rigorous in considering what a renewable-energy future will look like. The purpose of our Energy Transition Program is to increase energy literacy and shift the public conversation about energy from wanting more to needing less, and valuing what we have.

Highlights in 2018 include:

- Publication and distribution of “Shale Reality Check,” a detailed report by David Hughes on the sustainability (or lack thereof) of shale gas and tight oil from low-permeability reservoirs in the United States.
- Release of *Oil, Power, and War*, a comprehensive book (translated from French) by Matthieu Auzenneau about humanity’s history with oil. Post Carbon Fellow David Hughes provided a technical review, Senior Fellow Richard Heinberg contributed the foreword, and staff helped coordinate the publication and promotion processes.
- Distribution of “Peak Oil News” and “Peak Oil Review,” compiled daily and weekly (respectively) by Fellow Tom Whipple to report what’s happening with production of fossil fuels.

Community Resilience

Building community resilience is one of the most impactful strategies for addressing the 21st century’s sustainability crises, but society is not investing enough thought or action into this strategy. We support community resilience-building by merging thoughtful leadership with on-the-ground efforts, all while grounding community resilience in resilience science and systems thinking. Recognizing that communities are the key to effective change and that resilience-building is an emerging process, the Institute offers a robust resource platform—resilience.org, publications, public presentations, and multimedia—to bring the best ideas and models for relocalizing economies and building a sustainable future.

METAFOUNDATION dba POST CARBON INSTITUTE
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 1 – ORGANIZATION (continued)

Community Resilience (continued)

Highlights in 2018 include:

- Delivery of two guided *Think Resilience* courses, the Institute’s flagship education resource that explores humanity’s sustainability crises and the need to build community resilience in response.
- Production and promotion support for *The Response*, a podcast about community resilience in the aftermath of natural disasters.
- Promotion and distribution of *The Community Resilience Reader* (the Institute’s premier publication about the science and practice of community resilience building), including development of a website where professors, students, and the general public can access chapters.
- Development of action routes with partner organizations whereby participants in the *Think Resilience* course can take action in their households and communities.

Essays and Articles

This program provides the public with engaging views on energy, community resilience, and current events. Partnering authors and Institute staff members write essays to advance the post-carbon message and worldview. External media outlets also publish some of our original essays and conduct interviews with our staff, further expanding our reach.

Highlights in 2018 include:

- Publication of 35 high-quality articles per week on Resilience.org, including 50 original articles from collaborating authors.
- Publication of 28 original articles by Institute staff, 13 of which were also published in external media outlets.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Method

The accompanying financial statements have been prepared on the accrual basis of accounting. The accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

New Accounting Pronouncements

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly. The ASU has been applied retrospectively to all periods presented.

METAFOUNDATION dba POST CARBON INSTITUTE
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Pronouncements (continued)

The new standards change the following aspects of the Institute's financial statements:

- The temporarily restricted and permanently restricted net asset classes have been combined into a single net asset class called net assets with donor restrictions.
- The unrestricted net asset class has been renamed net assets without donor restrictions.
- The financial statements include a new disclosure about liquidity and availability of resources (Note 3).

Certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Cash

Cash consists primarily of checking accounts held with a financial institution. The Institute restricts its cash deposits to financial institutions which are members of the FDIC.

Certificates of Deposit

Certificates of deposit are carried at market value.

Property and Equipment

Property and equipment are stated at cost and are depreciated using straight-line methods over the estimated useful lives of the related assets. Major expenditures in excess of \$500, and those which substantially increase lives, are capitalized. Maintenance, repairs and minor renewals are expensed when incurred. The fair value of donated capital items is similarly capitalized.

Revenue Recognition

The Institute recognizes services and other fee revenue in the period when the service has been provided.

Grants and Contributions

Grants and contributions, including unconditional promises to give, are recorded as made. All grants and contributions are available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Conditional promises to give are not included as support until the conditions are substantially met.

METAFOUNDATION dba POST CARBON INSTITUTE
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Assets

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair value at the date of donation. Donated property and equipment are reported as estimated fair value at the date of donation. Donated property and equipment are reported as increases in net assets without donor restriction unless the donor has restricted the use of donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Institute reports expiration of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor.

Donated Services

Donated services are recognized as contributions, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would typically need to be purchased if not provided by donation.

There are volunteers who contribute their time to the Institute. No amounts have been recognized in the accompanying financial statements because the criteria for recognition of such volunteer effort have not been satisfied.

Net Assets

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

- Without Donor Restriction – Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for growth endowment and certain program uses.
- With Donor Restriction – Net assets subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Income Taxes

The Institute is a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes. The Institute has also been classified as an entity that is not a private foundation within the meaning of the Internal Revenue Code. The Institute is also exempt from Oregon state income taxes under Section 317.080 of Oregon Revised Statutes and California franchise taxes under Section 23701d of the Revenue and Taxation Code. It is the opinion of management that all income earned has been related to the Institute's tax-exempt status and there has been no unrelated business income. Accordingly, no provision has been made for income taxes in the consolidated financial statements.

METAFOUNDATION dba POST CARBON INSTITUTE
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes (continued)

The Institute has adopted the provision of FASB Accounting Standards Codification (ASC) 740-10, *Income Taxes*, relating to accounting for uncertain tax provisions. The Institute recognizes the tax benefit from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Institute did not have any uncertain tax positions in connection with these financial statements.

Generally, the Organization is subject to examination by U.S. federal, state, and local income tax authorities for three years from filing of a tax return.

Fair Value of Financial Instruments

The Organization has adopted FASB authoritative guidance that defines fair value, establishes a framework for measuring the fair value, and expands disclosures about fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Credit Risk

Financial instruments that potentially subject the Institute to concentrations of credit risk are primarily cash, investments and accounts receivable. The Institute places its cash in financial institutions that are insured in limited amounts by the U.S government.

Use of 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.

METAFOUNDATION dba POST CARBON INSTITUTE
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses

The costs of program and supporting services activities have been reported in the statement of activities by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and foundation expenses, which are allocated on the basis of time and effort.

NOTE 3—LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2018</u>	<u>2017</u>
Financial assets, at year end	\$ 709,773	\$ 993,444
Less those unavailable for general expenditure within one year:		
Net Investment in Property and Equipment	(6,090)	(1,199)
Deposits	<u>(1,000)</u>	<u>(1,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 702,683</u>	<u>\$ 991,248</u>

NOTE 4 – CONTRIBUTIONS RECEIVABLE

Contributions Receivable consists of contributions that were deposited in January 2019, but were postmarked by the donor on or before December 31, 2018.

NOTE 5 – OPERATING LEASE

During the beginning part of 2017, the Institute rented an office space in Santa Rosa, California, with a monthly payment of \$1,944 on a month-to-month basis. In June 2017, the Institute moved their office to Corvallis, Oregon and entered into a six month lease ending December 15, 2017. The lease was renewed for two successive 6 month terms until December 2018, at which time the lease became a month-to-month lease. The monthly payments on the Oregon lease are \$1,000 per month.

Rent expense was \$12,000 and \$17,805 for the years ended December 31, 2018 and 2017, respectively.

METAFOUNDATION dba POST CARBON INSTITUTE
Notes to Financial Statements
December 31, 2018 and 2017

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of December 31,:

	<u>2018</u>	<u>2017</u>
<u>Purpose Restrictions</u>		
Grassroots Activism	\$ 10,000	\$ -
<u>Time-Restricted for Future Periods</u>		
General Support	<u>200,000</u>	<u>625,000</u>
Total Net Assets With Donor Restrictions	<u>\$ 210,000</u>	<u>\$ 625,000</u>

NOTE 7 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors during the years ended December 31, 2018 and 2017, as follows:

	<u>2018</u>	<u>2017</u>
The Energy Transition	\$ -	\$ 15,000
General Support	<u>425,000</u>	<u>100,000</u>
Total	<u>\$ 425,000</u>	<u>\$ 140,473</u>

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are available to be issued. The Institute recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing financial statements. The Institute's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before financial statements are available to be issued.

The Institute has evaluated subsequent events through April 30, 2019, which is the date the financial statements were available to be issued.