

Hood & Strong

Advisory, Tax  
and Assurance

**Creative Commons  
Corporation**  
(A Nonprofit Corporation)

**December 31, 2024**

Consolidated Financial Statements

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# Creative Commons Corporation

(a Nonprofit Corporation)

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## Independent Auditors' Report

THE BOARD OF DIRECTORS  
CREATIVE COMMONS CORPORATION  
(A NONPROFIT CORPORATION)  
Mountain View, California

### Opinion

We have audited the consolidated financial statements of **CREATIVE COMMONS CORPORATION (Creative Commons)** which comprise the consolidated statement of financial position as of December 31, 2024, the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended and the related notes to the consolidated financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Creative Commons as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Creative Commons 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Creative Commons' ability to continue as a going concern for one year from the date of this report.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS 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 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Creative Commons' 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 consolidated financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Creative Commons' 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.



San Francisco, California  
October 28, 2025

**Creative Commons Corporation**  
(a Nonprofit Corporation)

**Consolidated Statement of Financial Position**

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*December 31, 2024*

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**Assets**

Cash and cash equivalents	\$ 7,575,066
Accounts receivable, net	1,756,394
Prepaid expenses and other assets	43,853
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Total assets	\$ 9,375,313

**Liabilities and Net Assets**

**Liabilities:**

Accounts payable	\$ 29,886
Accrued expenses	134,378
Deferred revenue	32,800
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Total liabilities	197,064

**Net Assets:**

Without donor restrictions	4,913,269
With donor restrictions	4,264,980
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Total net assets	9,178,249
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Total liabilities and net assets	\$ 9,375,313

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See accompanying notes to the consolidated financial statements.

# Creative Commons Corporation

(a Nonprofit Corporation)

## Consolidated Statement of Activities and Changes in Net Assets

*Year Ended December 31, 2024*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues:</b>			
Grants, net	\$ 166,458	\$ 1,518,433	\$ 1,684,891
Contributions	324,915		324,915
Program service fees	194,325		194,325
Investment gain	138,363		138,363
Other income	96,870		96,870
In-kind contributions	488		488
Satisfaction of program restrictions	4,181,312	(4,181,312)	-
<b>Total revenues</b>	<b>5,102,731</b>	<b>(2,662,879)</b>	<b>2,439,852</b>
<b>Expenses:</b>			
Program services	2,586,722		2,586,722
Supporting services:			
Management and general	1,075,981		1,075,981
Fundraising	222,220		222,220
<b>Total expenses</b>	<b>3,884,923</b>	<b>-</b>	<b>3,884,923</b>
<b>Change in Net Assets</b>	<b>1,217,808</b>	<b>(2,662,879)</b>	<b>(1,445,071)</b>
<b>Net Assets, beginning of year</b>	<b>3,695,461</b>	<b>6,927,859</b>	<b>10,623,320</b>
<b>Net Assets, end of year</b>	<b>\$ 4,913,269</b>	<b>\$ 4,264,980</b>	<b>\$ 9,178,249</b>

See accompanying notes to the consolidated financial statements.

# Creative Commons Corporation

(a Nonprofit Corporation)

## Consolidated Statement of Functional Expenses

Year Ended December 31, 2024

	Emerging Technologies & Policy	Global Network/ Community	Licenses & Stewardship	Open Climate	Open Culture	Open Education	Open Journalism	Training & Learning	Total Program Services	Management & General	Fundraising	Total Support Services	Total Expenses
Salaries	\$ 47,023	\$ 92,802	\$ 218,317	\$ 611,064	\$ 376,629	\$ 3,116		\$ 145,826	\$ 1,494,777	\$ 360,113	\$ 164,258	\$ 524,371	\$ 2,019,148
Employee benefits	4,611	4,080	27,849	76,481	31,670	347		18,810	163,848	142,735	23,883	166,618	330,466
Payroll taxes	3,672	7,416	16,814	33,582	20,810	239		11,378	93,911	(2,253)	14,098	11,845	105,756
	<b>55,306</b>	<b>104,298</b>	<b>262,980</b>	<b>721,127</b>	<b>429,109</b>	<b>3,702</b>	<b>-</b>	<b>176,014</b>	<b>1,752,536</b>	<b>500,595</b>	<b>202,239</b>	<b>702,834</b>	<b>2,455,370</b>
Accounting fees									-	46,500		46,500	46,500
Awards and Grants		16,410		8,375	21,056			3,525	49,366			-	49,366
Bank charges		30		157					187	14,199		14,199	14,386
Consulting & Design	111,488		7,329	277,075	101,817			42,000	539,709	178,432	5,000	183,432	723,141
Donated services									-	488		488	488
Insurance		24						19	43	63,927		63,927	63,970
Legal Fees									-	4,507		4,507	4,507
Licenses & Fees									-	61,282		61,282	61,282
Memberships & Dues	929								929			-	929
Occupancy				41					41	3,566		3,566	3,607
Operations	56		32		969	40		10	1,107	4,565	700	5,265	6,372
Printing			23	166	164	63			416	664		664	1,080
Publicity & Communication				5,040	624				5,664	2,801		2,801	8,465
Recruiting									-	2,175		2,175	2,175
Special events			6,735	118	9,502				16,355	5,254		5,254	21,609
Supplies	34		1,169	116	2,437	52			3,808	5,700		5,700	9,508
Technology				577	2,867			363	3,807	59,630	11,702	71,332	75,139
Telephone				166	601			124	891	6,728		6,728	7,619
Training					48				48	19,391		19,391	19,439
Travel & Conference	4,859	882	33,565	67,075	91,059	5,397	\$ 449	8,529	211,815	71,458	2,579	74,037	285,852
Website									-	24,119		24,119	24,119
<b>Total expenses</b>	<b>\$ 172,672</b>	<b>121,644</b>	<b>\$ 311,833</b>	<b>\$ 1,080,033</b>	<b>\$ 660,253</b>	<b>\$ 9,254</b>	<b>\$ 449</b>	<b>\$ 230,584</b>	<b>\$ 2,586,722</b>	<b>\$ 1,075,981</b>	<b>\$ 222,220</b>	<b>\$ 1,298,201</b>	<b>\$ 3,884,923</b>

See accompanying notes to the consolidated financial statements.

**Creative Commons Corporation**  
(a Nonprofit Corporation)

**Consolidated Statement of Cash Flows**

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*Year Ended December 31, 2024*

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**Cash Flows from Operating Activities:**

Change in net assets	\$ (1,445,071)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Net present value discount on long-term accounts receivable	(43,433)
Change in operating assets and liabilities:	
Accounts receivable	2,086,174
Prepaid expenses and other assets	(12,806)
Accounts payable	8,917
Accrued expenses	(149,528)
Deferred revenue	2,300

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Net cash provided by operating activities	446,553
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<b>Net Increase in Cash</b>	446,553
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<b>Cash and Cash Equivalents, beginning of year</b>	7,128,513
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<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 7,575,066</b>
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See accompanying notes to the consolidated financial statements.



# Creative Commons Corporation

(a Nonprofit Corporation)

## Notes to the Consolidated Financial Statements

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### **Note 1 - Organization:**

Creative Commons Corporation (Creative Commons) is a Massachusetts nonprofit corporation that develops, supports, and stewards legal and technical infrastructure that maximizes digital creativity, sharing, and innovation. Because it can be expensive and burdensome to secure legal permission to use a copyrighted work published to the Web, Creative Commons provides a set of free copyright licenses and public domain tools that enable everyone to grant copyright permissions to their creative works so that they can be legally used by others. Creative Commons' public domain tools allow creators to waive all rights to a work and place it in the public domain, or to mark a work that is already in the public domain.

Creative Commons enables scientific research and innovation by enabling open access journals and the open exchange of scientific data. When a Creative Commons license is applied to a journal or scientific data, the journal and data can be freely reused by others. Creative Commons' licenses and public domain tools are also used to make data and databases freely available. The Creative Commons public domain dedication tool is used to remove all copyright restrictions.

Creative Commons also provides the legal infrastructure that powers Open Educational Resources (OER). OER are openly licensed educational resources that are developed by institutions, communities, and individuals to further universal access to education. Creative Commons' licenses enable educational materials to be translated for use around the world. Creative Commons is also developing software and metadata standards to improve search and discovery of educational resources.

Creative Commons' licenses and tools have been developed in consultation with legal experts and Creative Commons' affiliate institutions in over 85 jurisdictions. Nearly 2 billion Creative Commons-licensed works have been published by authors on the Internet.

In 2012, a Canadian subsidiary, 0941176 B.C. LTD, was established to enable Creative Commons to engage the services of Canadian-based individuals. Creative Commons is the sole shareholder of the subsidiary. A management services agreement is in place between the organizations and provides the structure for provision of those services to Creative Commons by the subsidiary through its employees. Its operations are reported in the consolidated financial statements.

# Creative Commons Corporation

(a Nonprofit Corporation)

## Notes to the Consolidated Financial Statements

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### **Note 2 - Summary of Significant Accounting Policies:**

#### Basis of Accounting and Consolidation

The consolidated financial statements of Creative Commons are prepared on the accrual basis of accounting and in conformity with accounting principles generally accepted in the United States of America (U.S GAAP) specific to nonprofit organizations. The consolidated financial statements include the accounts of its subsidiary (see Note 1). All material intercompany transactions and balances have been eliminated. Foreign currency gains and losses are recorded on the Consolidated Statement of Activities and Change in Net Assets if material.

Net Assets Without Donor Restrictions – the portion of net assets that is neither time and purpose nor permanently restricted by donor-imposed stipulations. These net assets are intended for use by management and the Board of Directors for general operations.

Net Assets With Donor Restrictions – the portion of net assets the use of which is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of Creative Commons.

#### Estimates

Management uses estimates and assumptions in preparing the consolidated financial statements. Those estimates and assumptions affect the reported amounts of asset and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

#### Cash and Cash Equivalents

For purposes of the Consolidated Statement of Cash Flows, Creative Commons considers all unrestricted highly liquid investments with an initial maturity of three months or less at purchase to be cash equivalents.

#### Revenue Recognition

Unconditional promises to give, which include grants and contributions, are recognized upon receipt of the promise and are recorded as increases in net assets without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a donor-specified restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), the net assets with donor restrictions are reclassified to net assets without donor restrictions.

# Creative Commons Corporation

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## Notes to the Consolidated Financial Statements

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Unconditional contributions and grants receivable are recorded at net realizable value if expected to be collected in one year and at present value if expected to be collected in more than one year. No allowance for uncollectible receivables has been recorded based on management's evaluation of collections.

Creative Commons provides for credit losses on receivables using the allowance method, based on historical experience and other factors. As of December 31, 2024, no allowance for credit losses on receivables was considered necessary.

Program service fees are recorded when earned.

Donated services are reported at fair value in the consolidated financial statements when those services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Creative Commons. Donated legal services totaling \$488 were recorded for the year ended December 31, 2024. The value of the services is determined by using market rates for similar services. None of these donated services were received with donor restrictions.

### Income Taxes

Creative Commons is exempt from federal income taxes under Internal Revenue Section 501(c)(3) and from California tax under Section 23701(d) of the Revenue Taxation Code.

Creative Commons recognizes the effect of income tax positions only if those positions are not likely to be sustained. Management continuously evaluates tax positions reflected in the Creative Commons' tax filings and does not believe that any material uncertain tax positions exist.

### Allocation of Functional Expense

Expenses are allocated directly to program activities if they can be specifically identified with a program. If not specifically identifiable, expenses are allocated to Management and General with the understanding that all indirect management costs are expended in support of programmatic work.

### Subsequent Events

Creative Commons evaluated subsequent events with respect to the consolidated financial statements for the year ended December 31, 2024 through October 28, 2025, the date these consolidated financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure.

# Creative Commons Corporation

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## Notes to the Consolidated Financial Statements

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### Note 3 - Accounts Receivable:

Accounts receivable consisted of unconditional promises to give at December 31, 2024 which are expected to be collected as follows:

In one year or less	\$ 1,168,955
Between one and five years	677,473
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	1,846,428
Less net present value discount at the time of agreement execution	(90,034)
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Contribution receivable	\$ 1,756,394
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### Note 4 - Net Assets With Donor Restrictions:

Net assets of \$4,181,312 were released during the year ended December 31, 2024 in accordance with respective donor restrictions.

Net assets were restricted as to purpose and time as of December 31, 2024 as follows:

Open Culture/GLAM	\$ 1,454,989
Open Climate	409,741
Open Science	321,082
Time	2,079,168
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Total	\$ 4,264,980
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### Note 5 - Pension Plan:

Creative Commons has a tax-sheltered annuity under IRC Section 403(b), which allows all employees to contribute through payroll deductions. Creative Commons provides discretionary matching contributions of 5% of annual salary for all employees who work 20 hours or more per week. Creative Commons' contributions made during the year ended December 31, 2024 totaled \$94,019.

### Note 6 - Concentrations of Risk:

Creative Commons maintains cash balances at several financial institutions which, from time to time, exceed federally insured limits.

# Creative Commons Corporation

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## Notes to the Consolidated Financial Statements

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For the year ended December 31, 2024, approximately 45% of gross revenue, \$1,125,000, was from two donors. As of December 31, 2024, approximately 90% of the gross accounts receivable, approximately \$1,700,000, was from two donors.

### Note 7 - Liquidity and Availability:

Creative Commons's financial assets at December 31, 2024 available to meet general expenditures over the next twelve months were as follows:

Financial assets:

Cash and cash equivalents	\$ 7,575,066
Accounts receivable, net	1,756,394

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Total financial assets	9,331,460
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Less amounts not available to be used within one year:

Net assets with donor restrictions	(4,264,980)
Add back net assets with restrictions to be met in less than a year	1,835,226

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(2,429,754)

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Financial assets available to meet general expenditures over the next  
twelve months

\$ 6,901,706

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