

**THE FUTURE OF FREE SPEECH**

**AUDITED  
FINANCIAL STATEMENTS**

**YEARS ENDED DECEMBER 31, 2024 AND 2023**

# The Future of Free Speech

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## **Independent Auditor's Report**

Board of Directors  
**The Future of Free Speech**  
Nashville, Tennessee

### ***Opinion***

We have audited the accompanying financial statements of The Future of Free Speech (a nonprofit organization) which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, 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 The Future of Free Speech as of December 31, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Future of Free Speech and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 the 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 The Future of Free Speech's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Independent Auditor's Report (Continued)**

### ***Auditor's 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 auditor's 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 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 The Future of Free Speech'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 The Future of Free Speech'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.



Rockville, Maryland  
April 22, 2025

# The Future of Free Speech

## Statements of Financial Position

<i>December 31,</i>	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 554,737	\$ 320,301
Contributions receivable	20,000	-
Receivables	1,406	162
<b>Total assets</b>	<b>\$ 576,143</b>	<b>\$ 320,463</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 19,913	\$ 7,698
<b>Total liabilities</b>	<b>19,913</b>	<b>7,698</b>
<b>Net assets</b>		
Without donor restrictions	551,800	312,765
With donor restrictions	4,430	-
<b>Total net assets</b>	<b>556,230</b>	<b>312,765</b>
<b>Total liabilities and net assets</b>	<b>\$ 576,143</b>	<b>\$ 320,463</b>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

## The Future of Free Speech

### Statement of Activities and Changes in Net Assets

<i>Year Ended December 31, 2024</i>	Without	With	
	Donor Restrictions	Donor Restrictions	Total
<b>Revenue and support</b>			
Contributions	\$ 890,935	\$ 27,000	\$ 917,935
Noncash contributions	68,144	-	68,144
Other income	1,104	-	1,104
Net assets released from restrictions	22,570	(22,570)	-
<b>Total revenue and support</b>	<b>982,753</b>	<b>4,430</b>	<b>987,183</b>
<b>Expenses</b>			
Program	494,457	-	494,457
Fundraising	152,968	-	152,968
General and administrative	96,293	-	96,293
<b>Total expenses</b>	<b>743,718</b>	<b>-</b>	<b>743,718</b>
<b>Change in net assets</b>	<b>239,035</b>	<b>4,430</b>	<b>243,465</b>
<b>Net assets, beginning of period</b>	<b>312,765</b>	<b>-</b>	<b>312,765</b>
<b>Net assets, end of period</b>	<b>\$ 551,800</b>	<b>\$ 4,430</b>	<b>\$ 556,230</b>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

# The Future of Free Speech

## Statement of Activities and Changes in Net Assets

<i>Year Ended December 31, 2023</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenue and support</b>			
Contributions	\$ 411,442	\$ -	\$ 411,442
Noncash contributions	43,436	-	43,436
<b>Total revenue and support</b>	454,878	-	454,878
<b>Expenses</b>			
Program	96,008	-	96,008
Fundraising	17,237	-	17,237
General and administrative	28,868	-	28,868
<b>Total expenses</b>	142,113	-	142,113
<b>Change in net assets</b>	312,765	-	312,765
<b>Net assets, beginning of period</b>	-	-	-
<b>Net assets, end of period</b>	\$ 312,765	\$ -	\$ 312,765

The accompanying Notes to Financial Statements are an integral part of these financial statements.

# The Future of Free Speech

## Statement of Functional Expenses

<i>Year Ended December 31, 2024</i>	Program	Supporting Activities		Total
		Fundraising	General and Administrative	
Communication and marketing	\$ 1,750	\$ -	\$ 1,062	\$ 2,812
Consultants	191,301	-	-	191,301
Contract and professional fees	1,986	-	41,497	43,483
Honorarium	56,878	-	-	56,878
Meals	4,016	98	-	4,114
Occupancy	29,408	26,431	9,267	65,106
Office expenses	12,850	11,386	3,631	27,867
Salaries and related expenses	114,131	105,264	38,482	257,877
Travel	30,071	4,203	1,143	35,417
Vehicle expenses	2,165	1,657	581	4,403
Conferences	48,868	3,000	307	52,175
Other expenses	1,033	929	323	2,285
<b>Total</b>	<b>\$ 494,457</b>	<b>\$ 152,968</b>	<b>\$ 96,293</b>	<b>\$ 743,718</b>

The accompanying Notes to Financial Statements are an integral part of these financial statements.



# The Future of Free Speech

## Statement of Functional Expenses

<i>Year Ended December 31, 2023</i>	Program	Supporting Activities		Total
		Fundraising	General and Administrative	
Communication and marketing	\$ 1,730	\$ 1,727	\$ -	\$ 3,457
Consultants	2,180	-	-	2,180
Contract and professional fees	270	-	6,795	7,065
Gifts	-	-	172	172
Honorarium	27,500	-	-	27,500
Meals	939	349	1,711	2,999
Occupancy	27,400	6,521	8,233	42,154
Office expenses	288	670	1,157	2,115
Salaries and related expenses	25,331	7,316	6,106	38,753
Travel	10,370	654	2,402	13,426
Vehicle expenses	-	-	2,292	2,292
<b>Total</b>	<b>\$ 96,008</b>	<b>\$ 17,237</b>	<b>\$ 28,868</b>	<b>\$ 142,113</b>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

## The Future of Free Speech

### Statements of Cash Flows

<i>Years Ended December 31,</i>	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 243,465	\$ 312,765
<b>Adjustments to reconcile changes in net assets to net cash provided by operating activities</b>		
<b>(Increase) decrease in assets:</b>		
Contributions receivable	(20,000)	-
Receivables	(1,244)	(162)
<b>Increase (decrease) in liabilities:</b>		
Accounts payable and accrued expenses	12,215	7,698
<b>Net cash provided by operating activities</b>	<b>234,436</b>	<b>320,301</b>
<b>Net change in cash and cash equivalents</b>	<b>234,436</b>	<b>320,301</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>320,301</b>	<b>-</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 554,737</b>	<b>\$ 320,301</b>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

# The Future of Free Speech

## Notes to Financial Statements

### 1. Organization and summary of significant accounting policies

**Organization:** The Future of Free Speech (or the “Organization”) was founded in Tennessee in December 2022. The Future of Free Speech was originally founded as a collaboration between the global judicial think tank Justitia and Vanderbilt University to research why freedom of speech is in global decline, to better understand and conceptualize the benefits and harms of free speech, and to determine how to create a resilient global culture of free speech that benefits everyone. Operations began in 2023. The Organization received tax exempt status in April 2023 with a mission to generate knowledge and spark the involvement needed to energize activists, persuade skeptics, resist authoritarians, and foster a resilient global culture of free speech.

The Organization does this through a three-part endeavor: (1) Through polling and research, to measure global attitudes toward free speech and analyze whether common concerns and arguments used to justify restrictions of free speech are based on real or imagined harms. (2) Through work to defend and strengthen existing standards needed to resist the global authoritarian deterioration of freedom of expression. (3) Through outreach, which provides activists, policymakers, academics, and other critical stakeholders with the data, arguments, and standards.

**Basis of presentation:** 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 (U.S. GAAP).

Net assets of the Organization and changes therein are classified and reported as follows:

**Net assets without donor restrictions** – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. The net assets may be used at the discretion of the Organization management and the board of directors.

**Net assets with donor restrictions** – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization, or by the passage of time. At December 31, 2024 and 2023, net assets with temporary donor restrictions are \$4,430 and \$0, respectively. The Organization does not have any donor restrictions that are perpetual in nature.

**Use of accounting estimates:** The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

# The Future of Free Speech

## Notes to Financial Statements

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**Cash and cash equivalents:** For purposes of financial statement presentation, the organization considers all highly liquid investments with initial maturities of ninety days or less to be cash equivalents. The Organization maintains a cash balance at one commercial bank, this balance can exceed the FDIC insured deposit limit of \$250,000 per financial institution. At December 31, 2024 and 2023, the Organization's cash balance held at the commercial bank exceeded the FDIC insured deposit limit by approximately \$305,000 and \$72,000, respectively. Management does not believe that this results in any significant credit risk. The Organization has not experienced any losses through the date when the financial statements were available to be issued.

**Contributions receivable:** Contributions receivable consist of unconditional promises to give that are expected to be collected in future years. Contributions receivable are reported as either donor restricted with temporary restrictions or donor restricted in perpetuity unless explicit donor stipulations or circumstances surrounding the pledge make clear the donor intended it to be used to support activities of the current period. Contributions receivable are recorded at the present value of their estimated future cash flows. The discounts on these amounts are computed using risk-adjusted rates applicable in the years in which those promises are received. Amortization of the discounts is included in contributions revenue in the accompanying statements of activities and changes in net assets. All contributions receivable as of December 31, 2024 are expected to be collected within one year. All contributions receivable are deemed fully collectable.

### **Revenue recognition:**

**Contributions:** The Organization recognizes contributions as revenue when they are received or unconditionally promised and records these revenues as with donor restrictions or without donor restrictions according to donor stipulations that limit the use of these assets due to either a time or purpose restriction. Contributions received with donor restrictions that are met in the year of receipt are recorded as revenues without donor restrictions. When a restriction expires or is met in a subsequent year, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities and changes in net assets. Contributions that have both (a) a barrier to be overcome and (b) a right of return or right of release element present are considered conditional, therefore they are not included as revenue until such time as the conditions have been substantially met. Consequently, at December 31, 2024 and 2023, the Organization received conditional contributions totaling \$1,180,000 and \$1,900,000, respectively, from related and unrelated parties that have not been recognized or recorded because matching requirements or other performance related milestones have not been met.

# The Future of Free Speech

## Notes to Financial Statements

**Noncash contributions:** The Organization's policy is to recognize contributed professional services if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Contributions of tangible assets and materials are recognized at fair value when received or unconditionally promised. The Organization does not sell donated in-kind gifts.

**Functional allocation of expenses:** The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and changes and in net assets. Accordingly, certain costs have been allocated among the programs services and supporting activities benefited. Such allocations are determined by management on an equitable basis.

Expenses that are allocated include the following:

Expenses	Method of Allocation
Salaries and related expenses	Time and effort
Occupancy	Time and effort

**Income taxes:** The Organization is exempt from Federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code, and is classified as an organization that is not a private foundation. The Organization is liable for Federal and state income taxes on its unrelated business income only. There was no income tax expense for the years ended December 31, 2024 and 2023.

**Accounting for uncertain tax positions:** The Organization evaluates uncertainty in income tax positions based on a more-likely-than-not recognition standard. If that threshold is met, the tax position is then measured at the largest amount that is greater than 50% likely of being realized upon ultimate settlement. Management evaluated the Organization's tax positions and concluded that the Organization has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. For the years ended December 31, 2024 and 2023, no unrecognized tax positions or benefit exists. Tax years from December 31, 2022 through the current year remain open for examination by federal and state tax authorities.

**Subsequent events:** Management has evaluated subsequent events for disclosure in these financial statements through April 22, 2025, which is the date the financial statements were available to be issued.

# The Future of Free Speech

## Notes to Financial Statements

### 2. Liquidity and availability of resources

The following represents the Organization's financial assets at December 31:

	2024	2023
Cash	\$ 554,737	\$ 320,301
Contributions receivable	20,000	-
Receivables	1,406	162
Total financial assets	576,143	320,463
Less amounts not available to be used within one year:		
Donor temporary purpose restrictions	(4,430)	-
Financial assets available to meet general expenditures over the next year	\$ 571,713	\$ 320,463

The Organization strives to maintain financial assets sufficient to cover 90 days of operating expenses. To manage liquidity, the Organization regularly monitors cash flow and maintains policies to ensure adequate financial resources are available for general expenditures, liabilities, and other obligations as they become due.

### 3. Noncash contributions

The Organization receives two types of noncash support, including office space and legal services. These contributions are recognized at fair value when received. The amounts reflected in the accompanying financial statements as noncash contributions are offset by like amounts included in program and support activity expenses.

During the years ended December 31, 2024 and 2023, the Organization received contributions of office space with a fair value of \$65,106 and \$42,154, respectively, and legal services with a fair value of \$3,038 and \$1,282, respectively. The fair value of donated office space is determined based on the amount of rent charged for comparative facilities in the area.

In addition, multiple individuals have donated their time to the Organization's program and support services during the years ended December 31, 2024 and 2023. These contributions are not reflected in the financial statements since these services do not meet the criteria for recognition.

### 4. Concentration

The Organization received contributions from two related entities that represented 70% and 100% of the total revenue and support for the years ended December 31, 2024 and 2023, respectively.

# The Future of Free Speech

## Notes to Financial Statements

### 5. Related party transactions

Justitia(a non-profit organization incorporated and existing under the laws of Denmark) is related to The Future of Free Speech through a shared executive director and two shared board members. Justitia has a Future of Free Speech project for which they receive funding and subgrant a portion to the Organization. For the years ended December 31, 2024 and 2023, the Organization received \$303,006 and \$54,367 of contributions from Justitia, respectively, and recognized \$3,038 and \$1,282 of in-kind contributions for legal services paid for by Justitia, respectively.

Vanderbilt University (or “Vanderbilt”) is related to the Future of Free Speech as a significant contributor. Under a formally executed Academic Affiliation Agreement signed January 2023, between Vanderbilt University, Justitia, and The Future of Free Speech, Vanderbilt provides significant financial support, office space, and administrative support to both organizations. Per the agreement, Vanderbilt contributed \$1,050,000 to be paid equally over three years to Justitia and the Organization for the Future of Free Speech project as well as an additional \$1,800,000 to be paid equally over three years to Justitia and the Organization for the Future of Free Speech project that is conditioned on meeting a matching requirement. The breakdown between amounts to be contributed to Justitia versus the Organization are undeterminable until time of receipt and therefore are not recognized by the Organization until the contribution is received. The conditional grant is not recognized until the matching requirement is also met. For the years ended December 31, 2024 and 2023, the Organization received and recognized \$335,999 and \$357,016 in contributions from Vanderbilt, respectively, on the conditional contribution for amounts whose conditions had been met. The Organization also recognized \$65,106 and \$42,154 of in-kind contributions for donated office space from Vanderbilt during the years ended December 31, 2024 and 2023, respectively.

In addition, a number of Vanderbilt employees spent time working for the Organization for which their time did not meet the requirements to be recognized as in-kind contributed services. This employee time is valued at approximately \$230,100 and \$112,500 for the years ended December 31, 2024 and 2023, respectively.

### 6. Net assets with restrictions

Net assets with restrictions as of December 31, 2024 and 2023 are as follows:

	2024	2023
Purpose restricted - Atlas Network	\$ 4,430	\$ -