

# Annual Report

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2019



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# 2019 Highlights

In 2019, SQPN continued its growth in new programming that began with the new, bold course set by the Board of Directors in 2018. New shows that began in 2019 included American Catholic History, Catholics of Oz, Raising the Betts, Secrets of Technology, and Secrets of Disney. We also revived Secrets of Star Wars with a new enthusiastic panel. As the year closed, the decision was made for Let's Talk to go on hiatus due to scheduling issues for host and panelists.

Episode downloads and listener engagement saw steady increases throughout the year for most shows. Total episode downloads for all shows rose from 140,000 in January to just shy of 200,000 by December. For Jimmy Akin's Mysterious World's best month of the year in August, the show had 90,000 total downloads and the network that month had 220,000 downloads.

With a Giving Campaign that started in August 2019, a large increase in the number of Patrons and monthly pledges gave a significant boost to the network's monthly revenue, which while not sufficient to close the ongoing deficit, showed the potential for a self-sustaining model of support from listeners who valued and were willing to support the network's shows.

The Board thanks Joanne Mercier for her service to SQPN as she stepped down at the beginning of the year and welcome Lisa Hendey and Steve Nelson back to the board. Both had served SQPN in the past and Steve is a former executive director.

# Future Planning

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The strategic plan developed in January 2016 by the board and officers of SQPN continues to move forward. Given the new challenges of continuing our mission with new leadership, SQPN has been adjusting its strategic plan to ensure we continue to fulfill our mission.

## **Mission Statement/Purpose**

SQPN's mission is to respond to the Catholic Church's call to use new media for evangelization and catechesis, education and formation. Pope St. John Paul II reiterated this call in his January 2005 Apostolic Letter, *The Rapid Development*, and encouraged Catholics to spread the Gospel using the latest in communications technology. SQPN fulfills this mission by creating audio and video productions that provide commentary and entertaining discussion on a variety of topics related to popular cultures and current trends in society.

## **Building a Foundation for the Future**

1. We have added Lisa Hendey and Steve Nelson to the board in 2019 who bring their experience, faithfulness, and integrity to help guide SQPN forward into this new era.
2. Our monthly email newsletter will keep our community involved and engaged with the latest news from SQPN and all of our productions.
3. We will use all of our social media platforms to connect with our audiences and to encounter new listeners.
4. We will continue to feature a strong slate of regular programming, and we will look for new shows and new talent to attract new audiences and diversify our offerings. We will continue to focus on our core competency of audio podcasting.
5. As we build our programming schedule, we will look for funding from new and current donors to support our efforts at producing quality and consistent shows. In addition to giving campaigns, SQPN will look at other opportunities for funding our work that are consistent with our mission.
6. Cognizant of the need for financial resources to continue our apostolate, we will continue to reach out to listeners to grow the number of donors, especially those who will commit to a monthly pledge as we work toward reaching financial break-even.

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# Chief Executive Officer's Note

The financial report on the following pages reflects the resources entrusted to SQPN by our supporters, our community of listeners and viewers. They have been most loyal and dedicated to the mission of SQPN over the years of our existence.

For another year, our costs exceeded our income, but we have begun to see donors responding to our appeals and increasing their giving. We are confident that we will reach a point at which our operations are self-sustaining before our reserves are depleted.

More and more of our donations are coming from people who are new to SQPN and our apostolate, many of them through the new shows that have appeared on the network, especially Jimmy Akin's Mysterious World.

The decision to move to Patreon for the main source of our giving and away from PayPal has worked out well. We now offer a series of thank-you gifts to Patrons who pledge at various giving levels and while the cost of the gifts is not insubstantial, on average SQPN recoups the cost of the gifts after two months of giving. In addition, a number of donors forgo the gift all together.

We began discussions about holding another Catholic New Media Conference, possibly on the West Coast of the US, but a decision was made by the Board to focus first on reaching financial break-even. We continue to believe that such gatherings would be beneficial to the SQPN community and would advance our mission of evangelization.

# Financials

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## Balance Sheet

US-GAAP

### ASSETS

CURRENT ASSETS	DEC 31, 2019
Cash	\$72,272
<b>TOTAL CURRENT ASSETS</b>	<b>\$72,272</b>

FIXED ASSETS	DEC 31, 2018
Computer Software and Equipment	\$8,524
-Accumulated Depreciation	-\$5,483
<b>TOTAL NET FIXED ASSETS</b>	<b>\$3,041</b>

### LIABILITIES AND EQUITY

LIABILITIES	Q4
Current Liabilities	\$155
<b>TOTAL LIABILITIES</b>	<b>\$155</b>

EQUITY	Q4
Net Assets	\$42,507
Net Income	\$32,651
<b>TOTAL EQUITY</b>	<b>\$75,158</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$75,313</b>

# Income Statement

US-GAAP

## INCOME

FISCAL YEAR END 12/31	2019
Donations	\$76,976
Unrelated Online Commissions	\$2,081
Interest	\$10
Other Income	\$133
<b>TOTAL INCOME</b>	<b>\$79,200</b>

## EXPENSES

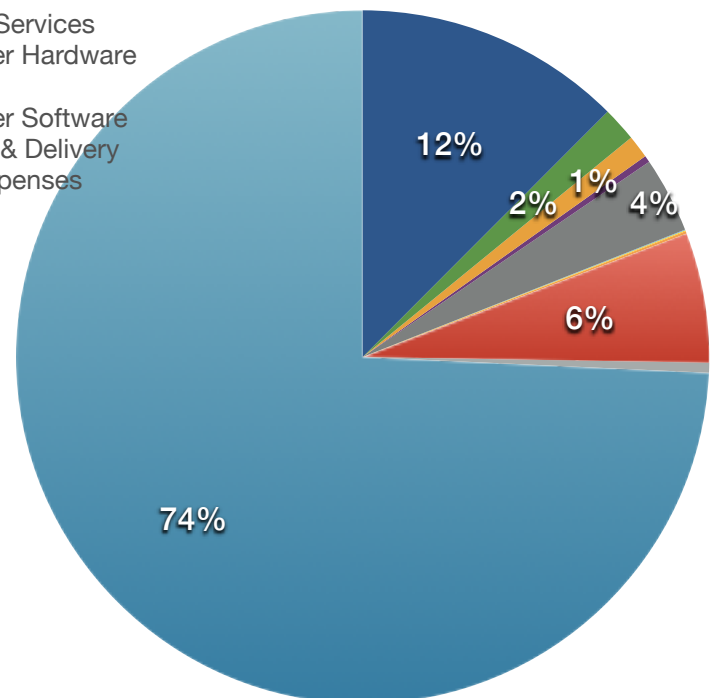
	2019
Wages	\$122,000
Insurance	\$20,510
Internet Services	\$2,641
Podcast Production	\$1,762
Contractors, Consultants, Professional Services	\$3,312
Travel and Meeting Expenses	\$0
Computer Hardware	\$0
PR/Marketing/Communications	\$515
Fees	\$5,794
Bank Charges	\$60
Computer Software	\$0
Office Supplies	\$73
Postage & Delivery	\$185
Taxes	\$9,958
Misc. Expenses	\$755
<b>TOTAL EXPENSES</b>	<b>2019\$167,565</b>
Net Ordinary Income	-\$88,366
<b>NET INCOME</b>	<b>-\$88,366</b>

ESTIMATED MONTHLY INCOME	
Donations	\$6,415
Sponsor Revenue	\$173
<b>Total Monthly Income, estimated</b>	<b>\$6,588</b>
ESTIMATED MONTHLY EXPENSES	
Salaries & Contractors	\$12,152
Online Services & Hosting	\$220
Office Supplies & Postage	\$21
Fees & Taxes	\$1,318
<b>Total Monthly Expenses, estimated</b>	<b>\$13,711</b>
<b>Total Monthly Surplus/(Deficit) (Recurring expenses don't include one-time expenses)</b>	<b>(\$7,123)</b>

Expense Breakdown

- Insurance
- Podcast Production
- PR/Marketing/Communications
- Bank Charges
- Office Supplies
- Taxes
- Wages

- Internet Services
- Computer Hardware
- Fees
- Computer Software
- Postage & Delivery
- Misc. Expenses



**Monthly Operational Expenses** include personnel; web site hosting; podcast hosting on a content distribution network; software services; and marketing services.

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# Statement of Cash Flows

US-GAAP

## CASH FLOW FROM OPERATING ACTIVITIES

FISCAL YEAR END 12/31	2019
Net Income	-\$89,997
Computer	\$357
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>-\$89,640</b>

## CASH AND EQUIVALENTS, END OF YEAR

	2019
Net Increase (Decrease) in Cash and Equivalents	-\$89,640
Cash and Equivalents, Beginning of Year	\$121,450
<b>CASH AND EQUIVALENTS, END OF YEAR</b>	<b>\$31,810</b>



# Officers and Directors

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(For 2019)

**Chief Executive Officer and Executive Director**.....Domenico Bettinelli, Jr.  
**Chief Financial Officer** .....Linda Nielsen  
**Director** .....Fr. George C. Hines  
**Director** .....Lisa Hendey  
**Director**.....Steve Nelson  
**Director**.....Jimmy Akin  
**Chaplain** .....Fr. Cory Sticha