



***YOUTH CODE JAM SAN ANTONIO  
(A NONPROFIT ORGANIZATION)***

***FINANCIAL REPORT***

***FOR THE YEAR ENDED  
DECEMBER 31, 2017***



## TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT.....	1
STATEMENT OF FINANCIAL POSITION.....	2
STATEMENT OF ACTIVITIES .....	4
STATEMENT OF FUNCTIONAL EXPENSES .....	5
STATEMENT OF CASH FLOWS .....	6
NOTES TO FINANCIAL STATEMENTS.....	7



## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Youth Code Jam San Antonio

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Youth Code Jam San Antonio, which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year 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 financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

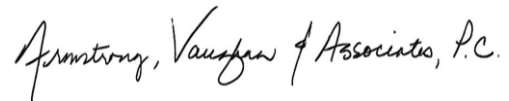
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 Youth Code Jam San Antonio as of December 31, 2017, 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.



Armstrong, Vaughan & Associates, P.C.

**June 8, 2018**

YOUTH CODE JAM SAN ANTONIO  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2017

**ASSETS**

Cash and Cash Equivalents	\$ 17,307
Accounts Receivable	8,519
Prepaid Expenses	559
Prepaid Insurance	564
<b>TOTAL ASSETS</b>	<u><u>\$ 26,949</u></u>

**LIABILITIES AND NET ASSETS**

*Liabilities:*

Accounts Payable	\$ 1,128
Credit Card Payable	125
<i>Total Liabilities</i>	<u>1,253</u>

*Net Assets:*

Unrestricted	19,144
Temporarily Restricted	6,552
<i>Total Net Assets</i>	<u>25,696</u>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 26,949</u></u>
---	-------------------------

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

YOUTH CODE JAM SAN ANTONIO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>SUPPORT AND REVENUES</b>			
<i>Support:</i>			
Corporate Contributions	\$ 5,960	\$ 36,600	\$ 42,560
Individuals	10,294	-	10,294
<i>Total Support</i>	<u>16,254</u>	<u>36,600</u>	<u>52,854</u>
 <i>Revenues:</i>			
Grant Income	138,216	5,000	143,216
Camp Fees	55,948	-	55,948
In Kind Revenues	29,823	-	29,823
<i>Total Revenues</i>	<u>223,987</u>	<u>5,000</u>	<u>228,987</u>
 Net Assets Released from Donor Restrictions	<u>43,740</u>	<u>(43,740)</u>	<u>-</u>
<b>TOTAL SUPPORT AND REVENUES</b>	<u>283,981</u>	<u>(2,140)</u>	<u>281,841</u>
 <b>EXPENSES</b>			
Program Services	252,512	-	252,512
Supporting Services			
Administrative	16,295	-	16,295
Fundraising	3,454	-	3,454
<b>TOTAL EXPENSES</b>	<u>272,261</u>	<u>-</u>	<u>272,261</u>
 <b>CHANGE IN NET ASSETS</b>	11,720	(2,140)	9,580
 <b>NET ASSETS - BEGINNING OF YEAR</b>	<u>7,424</u>	<u>8,692</u>	<u>16,116</u>
 <b>NET ASSETS - END OF YEAR</b>	<u>\$ 19,144</u>	<u>\$ 6,552</u>	<u>\$ 25,696</u>

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

YOUTH CODE JAM SAN ANTONIO  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2017

<b>FUNCTIONAL EXPENSES</b>	Program			<b>Total</b>
	<u>Services</u>	<u>Administrative</u>	<u>Fundraising</u>	
Contract Labor	\$ 97,713	\$ 7,510	\$ -	\$ 105,223
Salaries and Wages	53,526	-	-	53,526
Training and Education	23,886	-	-	23,886
Rent	21,989	-	-	21,989
Software and Supplies	16,641	-	99	16,740
Office Expense	16,349	47	67	16,463
Meals and Entertainment	10,462	-	225	10,687
Professional Services	-	5,970	2,425	8,395
Printing and Postage	2,973	602	-	3,575
Insurance	2,932	551	-	3,483
Conferences & Meetings	3,142	-	150	3,292
Marketing	1,786	-	-	1,786
Dues and Subscriptions	-	744	488	1,232
Supplies	1,113	-	-	1,113
Bank Charges	-	871	-	871
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u>\$ 252,512</u>	<u>\$ 16,295</u>	<u>\$ 3,454</u>	<u>\$ 272,261</u>

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

YOUTH CODE JAM SAN ANTONIO  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2017

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in Net Assets	\$ 9,580
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash:	
(Increase) Decrease in Current Assets:	
Accounts Receivable	(8,519)
Rebate Receivable	311
Prepaid Expense	(109)
Prepaid Insurance	(13)
Increase (Decrease) in Liabilities:	
Accounts Payable	(14,378)
Credit Cards Payable	(659)
<b>NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES</b>	<u>(13,787)</u>
 <b>NET INCREASE (DECREASE) IN CASH</b>	 (13,787)
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING YEAR</b>	 <u>31,094</u>
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	 <u><u>\$ 17,307</u></u>

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

YOUTH CODE JAM SAN ANTONIO  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017

NOTE A -- ORDER AND PURPOSE

Youth Code Jam San Antonio (the Organization) is a nonprofit corporation organized in San Antonio, Texas in 2016 to help kids get excited about computer science, build confidence in their skills and imagine themselves in the emerging technology-driven jobs of tomorrow. The Organization's mission is to foster an interest in technology by introducing upper elementary through high school students to programming languages. The Organization is supported primarily by program services fees and donations from corporations and individuals.

Youth Code Jam San Antonio has been successful in establishing various summer camps, after school clubs, and community-wide events to inspire kids to learn coding to connect between playing online, creating online, and applying their skills in the real world.

NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. *Basis of Presentation*

The financial statements of Youth Code Jam San Antonio have been prepared using the accrual basis in accordance with the accounting principles generally accepted in the United States of America (GAAP) whereby revenues are recognized when earned and expenses are recognized when they are incurred.

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. If donor-imposed restrictions are met in the same period as the gift or investment income is received, the amount is reported as unrestricted revenues. Accordingly, net assets of the Youth Code Jam San Antonio and changes therein are classified and reported as follows:

*Unrestricted Net Assets* – Net assets that are not subject to donor-imposed stipulations. Assets restricted solely through actions of the Board of Directors are reported as unrestricted net assets.

*Temporarily Restricted Net Assets* – Net assets subject to donor-imposed stipulations that may or will be met either by actions of Youth Code Jam San Antonio and/or passage of time. Donor-restricted contributions are reported as increases in temporarily restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

*Permanently Restricted Net Assets* – Net assets subject to donor-imposed stipulations that may be maintained permanently by Youth Code Jam San Antonio. Generally, the donors of these assets permit Youth Code Jam San Antonio to use all or part of the income earned on the related investments for a general or specific purpose.

YOUTH CODE JAM SAN ANTONIO  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
DECEMBER 31, 2017

NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

2. *Revenue Recognition*

Contributions are recognized as revenues when a gift or promise to give that is unconditional is received. Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Grants and other contributions of cash and other assets are reported as permanently restricted support if they are received with donor stipulations that require in perpetuity that the principal be invested and only the income be used for specific purposes.

3. *Donated Services and In-Kind Support*

The Organization may receive services, equipment and material without payment or compensation. When the value of such services meets recognition criteria, it is reflected in the accompanying financial statements as revenues and expenditures in a like amount. In-kind contributions are measured and recorded at their fair value on the date of donation. Equipment and other non-cash donations are recorded as contributions at cost or estimated fair value determined at the date of the donations. In-kind services are recognized if they create or enhance nonfinancial assets or if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

4. *Income Taxes*

Youth Code Jam San Antonio is exempt from state and federal income taxes under Section 501(c)3 of the Internal Revenue Code. Additionally, Youth Code Jam San Antonio is further classified as an organization that is not a private foundation under section 509(a)(2) which allows the donors or property, services or money to take the maximum charitable deduction allowed by law.

The most significant tax positions of the Organization is its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business income tax (UBIT). All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities.

5. *Cash and Cash Equivalents*

Cash and cash equivalents include all monies in checking and savings accounts.

YOUTH CODE JAM SAN ANTONIO  
 NOTES TO FINANCIAL STATEMENTS (CONT.)  
 DECEMBER 31, 2017

NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

6. *Prepaid Items*

Expenses recorded in advance of the service or product being received are deferred and carried on the statement of financial position as prepaid expenses.

7. *Property and Equipment*

Youth Code Jam San Antonio's policy for recording property and equipment is to capitalize individual items valued over \$2,000 with a useful life greater than one year. Donated capital assets are recorded at estimated fair market value at the date of the donation.

8. *Functional Expense Allocations*

Expenses that can be identified with a specific program or support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various methods.

9. *Use of Estimates*

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

10. *Subsequent Events*

Subsequent events were considered through June 8, 2018, which is the date the financial statements were available to be issued.

NOTE C -- CREDIT RISK OF FINANCIAL STATEMENTS

The Organization's cash and cash equivalents are held in two financial institutions and cash balances of up to \$250,000 are secured by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2017, all cash balances held in the financial institutions were fully secured.

NOTE D -- TEMPORARILY RESTRICTED NET ASSETS

As of December 31, 2017, Youth Code Jam San Antonio had restricted funds consisting of the following:

She-Code Connect	\$ 647
TechTEAM	5,905
Total	<u>\$ 6,552</u>

YOUTH CODE JAM SAN ANTONIO  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
DECEMBER 31, 2017

NOTE D -- TEMPORARILY RESTRICTED NET ASSETS (CONT.)

The uses of temporarily restricted funds at December 31, 2017 are as follows:

She-Code Connect	\$	353
Summer Camps		11,500
May Jam		3,000
September Jam		23,817
School Clubs		3,600
TechTEAM		1,470
		43,740
		\$ 43,740

NOTE E -- IN KIND REVENUES

For the year ended December 31, 2017, Youth Code Jam San Antonio received in-kind contributions as follows:

Facility Rentals	\$	19,450
Supplies		10,373
		29,823
		\$ 29,823

NOTE F -- REVENUE CONCENTRATIONS

Youth Code Jam San Antonio relies upon grants and service fees for funding a majority of its programs. The reliance on grants and service fees creates a concentration of revenues. For the year ended December 31, 2017, Youth Code Jam San Antonio received \$127,620 from the University of Texas which accounts for 45.3% of the Organization's revenue.

NOTE G -- LITIGATION

Management is unaware of any threatened or pending litigation.

