



Financial Statements

For the Year Ended December 31, 2020

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Independent Auditor's Report

**To the Board of Directors
Code.org
Seattle, Washington**

We have audited the accompanying financial statements of Code.org, which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, 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.



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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Code.org as of December 31, 2020, 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.

Report on Summarized Comparative Information

We have previously audited Code.org's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 14, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Clark Nuber PS

Certified Public Accountants
April 20, 2021

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Statement of Financial Position
December 31, 2020
(With Comparative Totals for 2019)

	2020	2019
Assets		
Current Assets:		
Cash and cash equivalents	\$ 5,564,644	\$ 5,212,532
Short-term investments	23,890,261	16,697,333
Current portion of pledges receivable, net	10,732,906	10,857,564
Other receivables	188,297	164,279
Inventory	197,810	77,303
Prepaid and other current assets	468,866	339,609
Total Current Assets	41,042,784	33,348,620
Long-term portion of pledges receivable, net	4,879,963	8,411,215
Other long-term assets	60,513	59,587
Total Assets	\$ 45,983,260	\$ 41,819,422
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 347,400	\$ 293,225
Accrued liabilities	884,998	629,796
Paycheck Protection Program loan, current portion	510,197	
Deferred revenue	95,000	
Total Current Liabilities	1,837,595	923,021
Paycheck Protection Program loan, net of current portion	544,308	
Deferred rent	17,823	11,382
Total Liabilities	2,399,726	934,403
Net Assets:		
Net assets without donor restrictions	27,970,665	21,616,240
Net assets with donor restrictions	15,612,869	19,268,779
Total Net Assets	43,583,534	40,885,019
Total Liabilities and Net Assets	\$ 45,983,260	\$ 41,819,422

See accompanying notes.

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**Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2020
(With Comparative Totals for 2019)**

	Without Donor Restrictions	With Donor Restrictions	2020 Total	2019 Total
Support and Revenue:				
Corporations	\$ 9,963,304	\$ 3,528,710	\$ 13,492,014	\$ 21,055,352
Foundations	3,680,766	825,087	4,505,853	3,150,302
Individuals	1,018,325	1,374,133	2,392,458	4,368,392
In-kind contributions	322,044	1,077,197	1,399,241	911,721
Government funding	710,830	43,884	754,714	
Investment earnings	62,028		62,028	367,301
Other revenue	123,231		123,231	67,905
Net assets released from restriction	10,504,921	(10,504,921)		
Total Support and Revenue	26,385,449	(3,655,910)	22,729,539	29,920,973
Expenses:				
Program services	17,959,182		17,959,182	20,897,728
Management and general	1,693,776		1,693,776	1,517,105
Fundraising	378,066		378,066	349,500
Total Expenses	20,031,024		20,031,024	22,764,333
Change in Net Assets	6,354,425	(3,655,910)	2,698,515	7,156,640
Net assets, beginning of year	21,616,240	19,268,779	40,885,019	33,728,379
Net Assets, End of Year	\$ 27,970,665	\$ 15,612,869	\$ 43,583,534	\$ 40,885,019

See accompanying notes.

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**Statement of Functional Expenses
For the Year Ended December 31, 2020
(With Comparative Totals for 2019)**

	Program Services				Supporting Services			2020 Total	2019 Total
	Advocacy	Marketing	Education	Total Program Services	Management and General	Fundraising	Total Supporting Services		
Personnel costs	\$ 986,715	\$ 1,069,443	\$ 8,738,378	\$ 10,794,536	\$ 1,377,189	\$ 322,174	\$ 1,699,363	\$ 12,493,899	\$ 11,623,046
Program implementation	10,738		3,356,314	3,367,052	39,205		39,205	3,406,257	5,886,946
Website and hosting	45,296	284,849	1,547,946	1,878,091	12,615	18,325	30,940	1,909,031	1,958,879
Professional services	376,718	87,649	835,184	1,299,551	112,615		112,615	1,412,166	1,056,274
Office expenses	12,857	28,943	197,474	239,274	113,775	34,391	148,166	387,440	381,494
Travel	57,254	5,534	208,747	271,535	37,473	3,166	40,639	312,174	1,682,999
Marketing and advocacy		33,018	76,125	109,143	904	10	914	110,057	174,695
Total Expenses	<u>\$ 1,489,578</u>	<u>\$ 1,509,436</u>	<u>\$ 14,960,168</u>	<u>\$ 17,959,182</u>	<u>\$ 1,693,776</u>	<u>\$ 378,066</u>	<u>\$ 2,071,842</u>	<u>\$ 20,031,024</u>	<u>\$ 22,764,333</u>

See accompanying notes.

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Statement of Cash Flows
For the Year Ended December 31, 2020
(With Comparative Totals for 2019)

	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 2,698,515	\$ 7,156,640
Adjustments to reconcile change in net assets to net cash provided by operating activities-		
Depreciation expense	2,406	1,486
Change in present value discount on pledges receivable	559,061	(558,159)
Change in allowance for doubtful accounts	(17,028)	27,401
Realized and unrealized loss (gain) on investments	4,630	(160,736)
Change in assets and liabilities:		
Pledges receivable	3,113,877	(4,030,869)
Other receivables	(24,018)	(102,118)
Inventory	(120,507)	238,733
Prepaid and other assets	(132,589)	286,613
Accounts payable	54,175	2,218
Accrued liabilities	255,202	63,301
Deferred revenue	95,000	
Deferred rent	6,441	(1,296)
Net Cash Provided by Operating Activities	6,495,165	2,923,214
Cash Flows From Investing Activities:		
Purchase of short-term investments	(39,798,182)	(96,007,165)
Proceeds from sale of short-term investments	32,600,624	94,604,305
Net Cash Used in Investing Activities	(7,197,558)	(1,402,860)
Cash Flows From Financing Activities:		
Proceeds from Paycheck Protection Program loan	1,054,505	
Net Cash Provided by Financing Activities	1,054,505	
Net Change in Cash and Cash Equivalents	352,112	1,520,354
Cash and cash equivalents, beginning of year	5,212,532	3,692,178
Cash and Cash Equivalents, End of Year	\$ 5,564,644	\$ 5,212,532

See accompanying notes.

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Notes to Financial Statements For the Year Ended December 31, 2020 (With Comparative Totals for 2019)

Note 1 - Nature of the Organization

Organization - Code.org® is a nonprofit dedicated to expanding access to computer science in schools, and increasing participation by young women and students from other underrepresented groups. Code.org's vision is that every student in every school should have the opportunity to learn computer science. Code.org increases diversity in computer science by reaching students of all backgrounds where they are - at their skill-level, in their schools, and in ways that inspire them to keep learning. Code.org's work builds upon decades of effort by countless organizations and individuals who have helped establish, fund, and spread computer science education. Code.org's goals include:

- Improving diversity in computer science;
- Increasing the number of schools that adopt and teach computer science;
- Developing high-quality computer science courses that support a K-12 pathway;
- Preparing new computer science teachers across grades K-12;
- Inspiring students to try computer science through the Hour of Code; and
- Helping change government policies to support computer science as a core subject.

To support its goals, Code.org works across the education spectrum: designing its own courses or partnering with others; developing partnerships with strong facilitators and established educational organizations to provide professional learning opportunities for new computer science teachers; helping change educational policies through coalition and community-driven efforts; expanding internationally via partnerships; and marketing to break stereotypes.

Specific areas on which Code.org's work focuses include:

Education - Code.org's comprehensive approach aims to make computer science a core part of U.S. education. The Code.org Professional Learning Program is designed to prepare K-12 educators to teach computer science using a defined curriculum pathway paired with high-quality professional learning resources that supports teacher and student success.

Curriculum at Code.org blends traditional and modern formats, merging lesson plans, activities, and assessments, with computational tools, environments, and learning platforms. Code.org provides this curriculum, in-person workshops, online learning opportunities, and year-round mentorship and support for existing in-service teachers of all backgrounds at the elementary, middle, and high school levels. Code.org's courses are free and easily accessible, available in more than 65 languages, and are used in more than 180 countries (unaudited).

Advocacy - Code.org's advocacy efforts aim to support policies that increase access to K-12 computer science for all students; Code.org advocates for state-level adoption of a policy framework to support and expand K-12 computer science. In particular, Code.org's main policy focus is getting every school to offer at least one computer science course and supporting this through the allocation of state funding for computer science professional development to grow the number of teachers who are prepared to teach computer science courses, and encouraging states to develop or adopt K-12 computer science standards.

At the end of 2020, all 50 states have policies to support K-12 computer science education (unaudited) and 29 states have allocated over \$177 million exclusively for computer science education (unaudited).

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Notes to Financial Statements For the Year Ended December 31, 2020 (With Comparative Totals for 2019)

Note 1 - Continued

Public Awareness - Code.org uses marketing, celebrities, and events to increase public awareness of computer science as foundational knowledge in modern K-12 education. Code.org's public awareness campaign seeks to motivate more students, parents, and members of the general population to learn computer science and to motivate more schools to want to teach it. Code.org uses celebrity endorsement, earned-media, and viral/social approaches to do this. Code.org also creates materials designed to introduce people of all ages to the potential of learning computer science and break stereotypes, encouraging more young women and students from other underrepresented groups to engage. Code.org's most visible marketing activity is the Hour of Code campaign. In partnership with hundreds of organizations, Code.org has organized a global movement reaching tens of millions of students in more than 180 countries with a one-hour tutorial. The Hour of Code is designed to demystify computer science and show that anybody can learn the basics. This grassroots campaign is supported by hundreds of partners and hundreds of thousands of educators worldwide (unaudited).

International - Code.org also devotes organizational resources to the development of international partnerships through which Code.org provides curriculum partners can use, translate, or adapt under creative commons; best practices for implementing curriculum and professional development; and marketing support in countries who are interested in offering computer science in schools.

Note 2 - Significant Accounting Policies

Basis of Presentation - The financial statements of Code.org are presented on the accrual basis of accounting. Net assets, revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of Code.org and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to or are no longer subject to donor-imposed restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions that will be met either by actions of Code.org or passage of time.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets. Restricted contributions are reported in the financial statements as net assets without donor restrictions revenue when they are received and used for the restricted purpose in the same year.

Cash and Cash Equivalents - Cash and cash equivalents consist of savings and demand deposit accounts at December 31, 2020 and 2019. For purposes of reporting cash flows, Code.org considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents except for those associated with the investment accounts. Code.org maintains cash and cash equivalents on deposit at various institutions that at times may exceed the insured limits by the Federal Deposit Insurance Corporation. This exposes Code.org to potential risk of loss in the event the institution becomes insolvent.

Notes to Financial Statements
For the Year Ended December 31, 2020
(With Comparative Totals for 2019)

Note 2 - Continued

Short-Term Investments - Investments in debt and equity securities with readily determinable market values are recorded at fair value. The fair value of investments in securities traded on national securities exchanges is stated at the closing price on the last business day of the year. Money market accounts held in the investment portfolio are reported at cost plus accrued interest. Short-term investments consist of United States Treasury Bills, mutual funds, and certificates of deposit.

Pledges Receivable - Pledges receivable are unconditional promises to give that are expected to be collected within one year and 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. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in support and revenue. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to pledges receivable.

Inventory - Inventory is stated at the lower of cost or market (estimated net realizable value) under the first-in, first-out method of accounting, and consists of course materials, workshop kits, and promotional merchandise. No inventory was impaired or written off during the years ended December 31, 2020 and 2019.

Coding Curriculum and Software - All of Code.org's coding curriculum and software is open source and available free to the public under open source, attribution, adapt and share alike licenses. As a result, costs associated with creating this content and software are expensed as incurred and shown as programmatic expense on the accompanying statement of activities and changes in net assets.

Contributions - Code.org recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Donated securities are recorded at their fair values on the date of receipt.

Conditional promises to give are not recognized as revenues until the conditions on which they depend have been met. Conditional contributions are conditioned upon certain performance requirements and the incurrence of qualifying expenses. Consequently, at December 31, 2020 and 2019, conditional contributions approximated \$16,850,000 and \$5,840,000, respectively, of which no amounts had been received in advance, and have not been recognized in the accompanying financial statements.

In-Kind Contributions - Code.org recognizes as revenue, in the statement of activities and changes in net assets, the value of donated goods and certain services at their fair values on the date received or pledged. The fair value of the donated services is recognized in the financial statements when the services received create or enhance nonfinancial assets, or require specialized skills, are provided by individuals possessing these skills, and would have been purchased if not donated.

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Notes to Financial Statements For the Year Ended December 31, 2020 (With Comparative Totals for 2019)

Note 2 - Continued

In-kind contributions of goods and services consisted of the following for the years ended December 31:

	2020	2019
Web services and licenses	\$ 1,099,241	\$ 611,721
Executive leadership and professional services	300,000	300,000
Total In-Kind Contributions	\$ 1,399,241	\$ 911,721

Gift-in-kind contributions are generally expensed in the year received, except for donated web services, which are expensed when used. In-kind web services expense totaled \$1,656,414 and \$1,726,542 for the years ended December 31, 2020 and 2019, respectively. In-kind contributions in pledge receivables totaled \$2,662,594 and \$3,304,731 for the years ended December 31, 2020 and 2019, respectively.

Government Funding - Government funding consists of governmental grants and the Families First Coronavirus Response Act (FFCRA) credit.

Other Revenue - Other revenue consists primarily of product sales, and rental income, which are recognized when they are earned.

Concentrations - Financial instruments that potentially subject Code.org to concentrations of credit and market risk consist primarily of cash and cash equivalents and short-term investments. Cash and cash equivalents and short-term investments are held in accounts that exceeded federally insured limits during the years ended December 31, 2020 and 2019.

During the year ended December 31, 2020, 48% of Code.org's revenue was from three donors and 73% of its pledges receivable was from four donors. During the year ended December 31, 2019, 49% of Code.org's revenue was from three donors and 69% of its pledges receivable was from three donors.

Federal Income Tax Status - The Internal Revenue Service has determined Code.org to be a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax has been made in these financial statements.

Methods Used for Allocation of Expenses Among Program and Support Functions - The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of Code.org. Those expenses include personnel costs, website and hosting, and office expenses. Personnel costs are allocated based on time spent across programs during the month, website and hosting are allocated based on estimated usage by program, and office expenses are allocated based on full-time equivalent representation in the office.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results may differ from such estimates.

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Notes to Financial Statements For the Year Ended December 31, 2020 (With Comparative Totals for 2019)

Note 2 - Continued

Prior Year Summarized Information - For comparative purposes, the financial statements include certain prior-year summarized information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with Code.org's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

Reclassifications - Certain reclassifications have been made to prior year amounts to conform to the presentation in the current year financial statements. The reclassifications have no effect on the previously reported change in net assets or classifications of net assets.

Subsequent Events - Code.org has evaluated subsequent events through April 20, 2021, the date on which the financial statements were available to be issued.

Note 3 - Pledges Receivable

Pledges receivable were as follows at December 31:

	2020	2019
Pledges receivable expected in less than one year	\$ 10,732,906	\$ 10,857,564
Pledges receivable expected in one to five years	5,309,006	9,382,291
	16,041,912	20,239,855
Allowance for doubtful accounts	(43,611)	(26,583)
Present value discount (3.25% - 5.00%)	(385,432)	(944,493)
Pledges Receivable, Net	\$ 15,612,869	\$ 19,268,779

During the year ended December 31, 2018, Code.org received a pledge of Bitcoin to be paid out in Bitcoin over five years. The pledge was recorded on the date received using quoted market prices within active markets and will be subsequently revalued on the statement of financial position dates using the same method until fully collected. The Bitcoin net pledge receivable balance totaled \$1,700,821 and \$625,895 for the years ended December 31, 2020 and 2019, respectively.

Note 4 - Fair Value Measurements

U.S. GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy which prioritizes the inputs to valuation approaches into three broad levels. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3).

Financial assets and liabilities valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using Level 3 inputs are primarily valued using management's assumptions about the assumptions market participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied.

Notes to Financial Statements
For the Year Ended December 31, 2020
(With Comparative Totals for 2019)

Note 4 - Continued

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2020 and 2019:

Money Markets - Valued at cost plus accrued interest, which approximates fair value.

United States Treasury Bills - Treasury bills are valued based on quoted market prices or other observable inputs.

Mutual Funds - Valued at quoted market prices in active markets, which represent the net asset value (NAV) of shares at year end.

Fair Values Measured on a Recurring Basis - Fair values of assets measured on a recurring basis were as follows:

	Fair Value Measurements as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Money markets	\$ 15,472,267	\$ -	\$ -	\$ 15,472,267
Mutual funds - fixed income	8,417,994			8,417,994
Total Assets at Fair Value	\$ 23,890,261	\$ -	\$ -	\$ 23,890,261

	Fair Value Measurements as of December 31, 2019			
	Level 1	Level 2	Level 3	Total
Money markets	\$ 495,600	\$ -	\$ -	\$ 495,600
United States Treasury bills	7,750,000			7,750,000
Mutual funds - fixed income	8,451,733			8,451,733
Total Assets at Fair Value	\$ 16,697,333	\$ -	\$ -	\$ 16,697,333

Investment earnings consisted of the following for the year ended December 31:

	2020	2019
Interest	\$ 66,658	\$ 206,565
Realized and unrealized (loss) gain	(4,630)	160,736
Investment Earnings, Net	\$ 62,028	\$ 367,301

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Notes to Financial Statements For the Year Ended December 31, 2020 (With Comparative Totals for 2019)

Note 5 - Paycheck Protection Program Loan

In response to the COVID-19 pandemic, the U.S. Congress passed the Coronavirus Aid, Relief, and Economic Securities Act (CARES Act). Included in the CARES Act was the Paycheck Protection Program (PPP) to provide loans to qualifying small businesses and not-for-profit organizations to cover certain eligible expenses. On April 15, 2020, Code.org obtained a loan under the PPP with a principal balance of \$1,054,505 and an annual interest rate of 1%. Forgiveness may be applied for up to 10 months after the covered period (6 months), otherwise payments are due beginning September 15, 2021 through the maturity date of April 15, 2022. All or a portion of the PPP Loan may be forgiven if certain terms and conditions of the program are met.

For the Year Ending December 31,

2021	\$ 510,197
2022	<u>544,308</u>

Total Future Minimum Principal Payments	<u>\$ 1,054,505</u>
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To complete the loan forgiveness process management must submit a loan forgiveness application to the lender and then the lender and the Small Business Administration (SBA) must review and approve the application. A risk exists that the lender or the SBA may reject some or all of the requested forgiveness amount during the review process, in which case Code.org will be required to repay the amount that is not forgiven. For the year ended December 31, 2020, management has concluded that Code.org has incurred the qualifying expenditures and submitted its loan forgiveness application on April 8, 2021.

In response to the ongoing COVID-19 pandemic, the U.S. Congress passed the Consolidated Appropriations Act, 2021, in December 2020. Included in this act was the Second Draw Program for Paycheck Protection Program loans. Subsequent to year end, on March 26, 2021, Code.org received a second PPP loan under the Second Draw Program with a principal balance of \$1,902,124 and an annual interest rate of 1%. Principal and interest are payable in monthly installments beginning 10 months after the end of the covered period through maturity on March 26, 2026. All or a portion of the PPP loan may be forgiven if certain terms and conditions of the program are met.

Note 6 - Net Assets With Donor Restrictions

Net assets with donor restrictions were time restricted at December 31, 2020 and 2019. Net assets with donor restrictions totaling \$10,504,921 were released from restriction during the year ended December 31, 2020, due to the passage of time.

Note 7 - Commitments

Facilities Commitments - Code.org has entered into contracts for facilities usage for Code.org's various events through 2021. As of December 31, 2020, the total estimated maximum cancellation liability for all contracts is approximately \$211,000.

Noncancelable Leases - In August 2016, Code.org entered into a noncancelable lease for office space that expires in July 2023 and includes escalating monthly rental payments ranging from \$16,000 to \$22,000. Total rent expense under all office space leases totaled \$267,054 and \$268,077 for the years ended December 31, 2020 and 2019, respectively.

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Notes to Financial Statements For the Year Ended December 31, 2020 (With Comparative Totals for 2019)

Note 7 - Continued

Code.org recognizes rental expense on a straight-line basis over the life of the leases and has recorded a deferred rent liability of \$17,823 and \$11,382 at December 31, 2020 and 2019, respectively.

Future rental commitments under this lease is as follows:

For the Year Ending December 31,

2021	\$ 247,890
2022	255,537
2023	<u>151,666</u>
Total Future Minimum Lease Payments	<u>\$ 655,093</u>

Note 8 - Liquidity and Availability of Financial Assets

Liquidity - As part of Code.org's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Code.org invests excess funds that exceed the cash flow needs of the organization for the next 3-6 months in low-risk financial products that generate interest that exceeds what is available in traditional checking and savings accounts.

Availability of Financial Assets - The following reflects Code.org's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 5,564,644	\$ 5,212,532
Investments	23,890,261	16,697,333
Current portion of pledge receivables, net	10,732,906	10,857,564
Other receivables	<u>188,297</u>	<u>164,279</u>
Total financial assets, excluding noncurrent receivables	40,376,108	32,931,708
Less current portion of in-kind pledges receivable	<u>(1,845,806)</u>	<u>(1,639,091)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 38,530,302</u>	<u>\$ 31,292,617</u>

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Notes to Financial Statements For the Year Ended December 31, 2020 (With Comparative Totals for 2019)

Note 9 - Coronavirus Pandemic

In March 2020, the World Health Organization categorized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary business closures, and wide-sweeping quarantines and stay-at-home orders. The COVID-19 pandemic caused business disruption through mandated and voluntary closings of multiple businesses including the shutdown of schools. As a result of the pandemic, Code.org staff are working from home, travel and previously scheduled teacher training workshops were cancelled. The extent of the impact of COVID-19 on Code.org's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, all of which are uncertain and cannot be predicted. As of the report date, current restrictions on social distancing and travel restrictions continue to limit in-person teacher training workshops. As a result, the extent to which COVID-19 may impact Code.org's financial condition or results of operations cannot be quantified.