



# Financial Statements

## Silicon Valley Urban Debate League

Milpitas, California

For the years ended December 31, 2022 and 2021



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# Silicon Valley Urban Debate League

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Silicon Valley Urban Debate League  
Milpitas, California

### Opinion

We have audited the accompanying financial statements of Silicon Valley Urban Debate League (the Organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year 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 Organization as of December 31, 2022, 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 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 Organization 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 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### 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, including omissions, 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 Organization'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 Organization'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.

### **Report on Prior Year Financial Statements**

The financial statements of Silicon Valley Urban Debate League as of December 31, 2021 were audited by other auditors whose report dated May 23, 2022 expressed an unmodified opinion on those statements.



**Abdo**  
Minneapolis, Minnesota  
June 1, 2023



## FINANCIAL STATEMENTS

Silicon Valley Urban Debate League  
Statements of Financial Position  
December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 224,827	\$ 173,275
Accounts receivable	25,085	80,421
Contributions receivable	33,333	36,333
Investments	12	2,539
Other assets	1,064	1,723
Total Current Assets	284,321	294,291
Property and Equipment		
Furniture, fixtures, and equipment	9,892	9,892
Less: accumulated depreciation	(2,473)	-
Total Property and equipment, net	7,419	9,892
Other Assets		
Contributions receivable, net of current portion	66,667	-
Total Assets	\$ 358,407	\$ 304,183
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 8,838	\$ 20,749
Credit card payable	1,828	231
Accrued payroll benefits	63,812	73,241
Total Liabilities	74,478	94,221
Net Assets		
Without donor restrictions	183,929	173,629
With donor restrictions	100,000	36,333
Total Net Assets	283,929	209,962
Total Liabilities and Net Assets	\$ 358,407	\$ 304,183

See Independent Auditor's Report and Notes to the Financial Statements.

Silicon Valley Urban Debate League  
Statements of Activities  
For the Years Ended December 31, 2022 and 2021

	2022		Total
	Without Donor Restrictions	With Donor Restrictions	
Revenue and Support			
Grants	\$ 179,000	\$ 130,000	\$ 309,000
Donation and contributions	230,971	-	230,971
In-kind donations	39,965	-	39,965
Special event income, net of expenses of \$92,307	268,951	-	268,951
Program revenue	101,003	-	101,003
Investment income	1,024	-	1,024
Net assets released from restrictions	66,333	(66,333)	-
Total Revenue and Support	<u>887,247</u>	<u>63,667</u>	<u>950,914</u>
Expenses			
Program services	620,549	-	620,549
General and administrative	66,727	-	66,727
Fundraising	189,671	-	189,671
Total Expenses	<u>876,947</u>	<u>-</u>	<u>876,947</u>
Change in Net Assets	10,300	63,667	73,967
Net Assets, January 1	<u>173,629</u>	<u>36,333</u>	<u>209,962</u>
Net Assets, December 31	<u>\$ 183,929</u>	<u>\$ 100,000</u>	<u>\$ 283,929</u>

See Independent Auditor's Report and Notes to the Financial Statements.

Silicon Valley Urban Debate League  
Statements of Activities (Continued)  
For the Years Ended December 31, 2022 and 2021

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Grants	\$ 172,751	\$ 151,617	\$ 324,368
Donation and contributions	405,493	-	405,493
In-kind donations	42,510	-	42,510
Program revenue	85,613	-	85,613
Investment income	613	-	613
Net assets released from restrictions	250,951	(250,951)	-
Total Revenue and Support	<u>957,931</u>	<u>(99,334)</u>	<u>858,597</u>
Expenses			
Program services	701,999	-	701,999
General and administrative	89,668	-	89,668
Fundraising	149,519	-	149,519
Total Expenses	<u>941,186</u>	<u>-</u>	<u>941,186</u>
Change in Net Assets	16,745	(99,334)	(82,589)
Net Assets, January 1	<u>156,884</u>	<u>135,667</u>	<u>292,551</u>
Net Assets, December 31	<u>\$ 173,629</u>	<u>\$ 36,333</u>	<u>\$ 209,962</u>

See Independent Auditor's Report and Notes to the Financial Statements.



Silicon Valley Urban Debate League  
 Statements of Functional Expenses  
 For the Years Ended December 31, 2022 and 2021

	2022			
	Supporting Services			
Expenses	Program	General and Administrative	Fundraising	Total Expenses
Salaries and wages	\$ 375,814	\$ 21,505	\$ 117,111	\$ 514,430
Payroll taxes	26,637	1,665	13,319	41,621
Employee benefits	28,120	1,757	14,060	43,937
Retirement plan	9,963	623	4,981	15,567
Workers' compensation	-	1,301	-	1,301
Contract services	85,473	25,578	37,890	148,941
Conferences and travel	9,574	173	618	10,365
Office expenses	7,732	1,602	399	9,733
Rent	23,383	1,231	-	24,614
Program support	46,024	301	104	46,429
Membership and dues	5,986	1,221	385	7,592
Advertisement expenses	-	-	100	100
Other expenses	1,843	9,770	704	12,317
	\$ 620,549	\$ 66,727	\$ 189,671	\$ 876,947

See Independent Auditor's Report and Notes to the Financial Statements.

Silicon Valley Urban Debate League  
 Statements of Functional Expenses (Continued)  
 For the Years Ended December 31, 2022 and 2021

	2021			
	Supporting Services			
Expenses	Program	General and Administrative	Fundraising	Total Expenses
Salaries and wages	\$ 448,394	\$ 37,553	\$ 114,357	\$ 600,304
Payroll taxes	33,612	2,815	8,573	45,000
Employee benefits	36,755	3,078	9,374	49,207
Retirement plan	13,149	1,101	3,354	17,604
Workers' compensation	-	1,253	-	1,253
Contract services	101,156	24,200	11,770	137,126
Conferences and travel	3,019	483	37	3,539
Office expenses	6,182	4,446	807	11,435
Rent	21,599	3,929	303	25,831
Program support	25,944	3,474	810	30,228
Membership and dues	9,576	1,742	134	11,452
Advertisement expenses	2,550	-	-	2,550
Other expenses	63	5,594	-	5,657
	<u>\$ 701,999</u>	<u>\$ 89,668</u>	<u>\$ 149,519</u>	<u>\$ 941,186</u>

See Independent Auditor's Report and Notes to the Financial Statements.

Silicon Valley Urban Debate League  
Statements of Cash Flows  
For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Change in net assets	\$ 73,967	\$ (82,589)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation expense	2,473	-
Bad debt expense	2,135	-
(Increase) decrease in operating assets:		
Accounts receivable	55,336	-
Contributions receivable	(65,802)	21,683
Other assets	659	(587)
Increase (decrease) in operating liabilities:		
Accounts payable	(11,911)	18,395
Credit card payable	1,597	(567)
Accrued payroll benefits	(9,429)	13,067
Net Cash Provided (Used) by Operating Activities	49,025	(30,598)
Cash Flows from Investing Activities		
Proceeds from sale of investments	2,527	(2,535)
Purchases of property and equipment	-	(9,892)
Net Cash Provided (Used) by Investing Activities	2,527	(12,427)
Change In Cash and Cash Equivalents	51,552	(43,025)
Cash and Cash Equivalents, January 1	173,275	216,300
Cash and Cash Equivalents, December 31	\$ 224,827	\$ 173,275

See Independent Auditor's Report and Notes to the Financial Statements.

Silicon Valley Urban Debate League  
Notes to the Financial Statements  
December 31, 2022 and 2021

**Note 1. Summary of Significant Accounting Policies**

**A. Nature of Activities**

Silicon Valley Urban Debate League (the Organization) is a California nonprofit public benefit corporation, founded in 2014. The mission of the Organization is to empower Silicon Valley students, regardless of their race or socioeconomic status, to reach their full potential to become professional and community leaders by teaching critical thinking and communication skills through Speech and Debate programming. All programs and other activities in connection with the foregoing as stated are lawful under the Nonprofit Public Benefit Corporation Law. The Organization is located in Milpitas, California.

**B. Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Revenues are recorded when earned and expenses are recorded when a liability is incurred. Contributions received are recorded as an increase in non-donor-restricted or donor-restricted support depending on the existence or nature of any donor restrictions. Accordingly, net assets of the Organization and related changes are classified and reported as follows:

Net Assets Without Donor Restrictions

Those resources over which the Organization has discretionary control. Designated amounts represent those revenues that the Board of Directors has set aside for a particular purpose.

Net Assets With Donor Restrictions

Those resources subject to donor-imposed restrictions, which are satisfied by actions of the Organization or passage of time, or are to be maintained permanently by the Organization.

**C. Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**D. Cash and Cash Equivalents**

The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The carrying amount approximates fair value because of the short maturity of those instruments.

Silicon Valley Urban Debate League  
Notes to the Financial Statements  
December 31, 2022 and 2021

**Note 1. Summary of Significant Accounting Policies (Continued)**

**E. Investments**

The Organization carries investments in marketable securities with readily determinable fair values in the statement of financial position. Unrealized gains and losses, interest and dividends, realized changes and related fees are included in the change in net assets in the statement of activities.

The Organization has investments in various securities that can be exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the Organization's account balances and the amount reported in the statement of financial position.

**F. Contributions and Contributions Receivable**

Contributions are recognized as revenue when received or unconditionally promised. Contributions received are recorded as contributions without donor restrictions, or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Support with donor restrictions is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When the restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Conditional pledges are recognized as receivables and revenue when the conditions on which they depend are substantially met. \$33,333 of contributions are due to be received in the next year and the remaining \$66,667 will be received in the next two to five years.

Contributions receivable are stated at unpaid balances, less an allowance for uncollectible receivables. The Organization uses the allowance method to determine uncollectible receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. The Organization charges off uncollectible contributions receivable when management determines amounts are not collectable. An allowance for uncollectible accounts receivable was not deemed necessary at December 31, 2022 and 2021 because the management believes that the amounts will be collected in full.

**G. In-kind Contributions**

Donated equipment and other donated goods are recorded at their estimated fair market value on the day of donation. Donated services are recognized as contributions if the services create or enhance a financial asset or require specialized skills which the donor has and would otherwise be purchased by the Organization.

Silicon Valley Urban Debate League  
Notes to the Financial Statements  
December 31, 2022 and 2021

**Note 1. Summary of Significant Accounting Policies (Continued)**

**H. Property and Equipment**

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, or improvements that significantly prolong the useful lives of the assets are capitalized. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from three to five years. Purchased property and equipment is capitalized at cost.

Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

**I. Revenue Recognition**

The Organization recognizes revenue on the accrual basis of accounting. Service income is recognized as revenue in the period in which the service is provided. Grants are recognized as revenue in the period in which they are awarded in writing, if not conditional. The Organization's primary revenue sources are grants, donations, and contributions.

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

The Organization did not have conditional grants as of December 31, 2022 and 2021, for which barriers were not met.

**J. Functional Allocation of Expenses**

The costs of providing various programs and other activities are summarized on a functional basis in the statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Salaries and related expenses are allocated based on employees' direct time spent on program or support activities or the best estimate of time spent. Given the collaborative manner, in which the Organization delivers its programs, rents are allocated based on staff hours devoted to each program or function. Expenses, other than salaries and related expenses, which are not directly identifiable by program or support services, are allocated based on the best management's estimate.

**K. Income Taxes**

The Organization is a not-for-profit organization that is exempt from income taxes under Section §501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private organization.

**L. Advertising Expenses**

Advertising costs are expensed when the advertising first occurs. Advertising expenses for the year ended December 31, 2022 and 2021 were \$100 and \$2,550, respectively.

Silicon Valley Urban Debate League  
Notes to the Financial Statements  
December 31, 2022 and 2021

**Note 1. Summary of Significant Accounting Policies (Continued)**

**M. Concentrations**

At times, a portion of the cash balances may not be insured by FDIC. The potential concentration of credit risk pertaining to cash balances will vary throughout the year depending upon the level of cash deposits versus amounts insured. The Organization is maintaining all deposits in one high quality financial institution. As of December 31, 2022 and 2021, deposits in amounts of \$0 and \$14,773, respectively, were not FDIC insured.

**N. Adoption of New Accounting Standards**

In March 2016, the FASB issued ASU No. 2016-02, *Leases*, as a new topic, Accounting Standards Codification 842. The objective of ASU No. 2016-02 is to increase transparency and comparability among organizations by reorganizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements. ASU No. 2016-02 is effective for annual reporting periods beginning after December 15, 2021, and was applied using modified retrospective approach. The new guidance is effective for Silicon Valley Urban Debate League in 2022.

In September 2020, the FASB issued ASU No. 2020-07 Not-for-Profit Entities (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which is intended to improve the transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. This ASU requires not-for-profit organizations to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. In addition to separate presentation on the statement of activities, this amendment requires enhanced disclosures around each category of contributed nonfinancial assets for donor-imposed restrictions, valuation techniques, description of programs or activities in which the assets were used, and if monetized a policy about monetizing rather than utilizing the asset(s). The amendments in this ASU have been applied on a retrospective basis.

**O. Subsequent Events**

Subsequent events were evaluated through June 1, 2023, which is the date the financial statements were available to be issued.

Silicon Valley Urban Debate League  
Notes to the Financial Statements  
December 31, 2022 and 2021

**Note 2: Fair Value Measurements**

The established framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

**Level 1** - Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Organization has the ability to access.

**Level 2** - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3** - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in methodology used at December 31, 2022 and 2021.

*Money market and common stock* - Valued at the daily closing price of the fund.



Silicon Valley Urban Debate League  
Notes to the Financial Statements  
December 31, 2022 and 2021

**Note 2: Fair Value Measurements (Continued)**

The Organization's investments consisted entirely of Level 1 inputs and are reported at fair value in the accompanying statement of financial position:

	Level 1	Level 2	Level 3	Total
<u>December 31, 2022</u>				
Common Stock	\$ 12	\$ -	\$ -	\$ 12
<u>December 31, 2021</u>				
Money Market	\$ 3	\$ -	\$ -	\$ 3
Common Stock	2,536	-	-	2,536
Total	\$ 2,539	\$ -	\$ -	\$ 2,539

**Note 3: Net Assets With Donor Restrictions**

Net assets with donor restrictions consist of contributions and grants designated for specific purposes and unconditional pledges that will be received in the future. The composition of net assets with donor restrictions at December 31 and year over year changes are as follows:

	2022			
	12/31/2021	Additions	Releases	12/31/2022
Time restricted	\$ 36,333	\$ 100,000	\$ 36,333	\$ 100,000
Services in Milpitas	-	5,000	5,000	-
Create and expand curricula	-	25,000	25,000	-
Total	\$ 36,333	\$ 130,000	\$ 66,333	\$ 100,000
	2021			
	12/31/2020	Additions	Releases	12/31/2021
Time restricted	\$ 125,667	\$ -	\$ (89,334)	\$ 36,333
Coronavirus relief	-	15,000	(15,000)	-
Coaching	10,000	-	(10,000)	-
San Mateo Country program	-	10,000	(10,000)	-
Technology	-	10,000	(10,000)	-
PPP Loan	-	116,617	(116,617)	-
Total	\$ 135,667	\$ 151,617	\$ (250,951)	\$ 36,333

Silicon Valley Urban Debate League  
Notes to the Financial Statements  
December 31, 2022 and 2021

**Note 4. Payroll Protection Program (PPP) Loan**

In February 2021, the Organization entered into a promissory note agreement with TMC Financing in the amount of \$116,617 pursuant to the Paycheck Protection Program (PPP) created by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and governed by the Small Business Administration (SBA). The note accrued interest at one percent per annum and was scheduled to mature in February 2023. Up to 100 percent of the loan was forgivable when used to pay specified payroll and other costs within the qualified period (generally 24 weeks after receiving the funds). In July 2021, the loan was forgiven 100 percent and recognized as revenue in 2021.

**Note 5. Contingencies**

Conditions contained within the various contracts awarded to the Organization are subject to the funding agencies' criteria and regulations under which expenditures may be charged against and are subject to audit under such regulations and criteria. Occasionally, such audits may determine that certain costs incurred against the grants may not comply with the established criteria governing them. In such cases, the Organization could be held responsible for repayments to the funding agency or be subject to reductions of future funding. Management does not anticipate any material questioned costs for the contracts and grants administered during the period.

**Note 6. In-Kind Contributions and Volunteers**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Donated professional services and donated materials for the years ended December 31 are as follows:

	<u>2022</u>	<u>2021</u>	<u>Usage in Programs/Activities</u>	<u>Donor Restriction</u>	<u>Fair Value Techniques</u>
Professional services	\$ 5,399	\$ 14,146	Management and General	None	Estimated based on time rates for each practitioner
Use of facilities	17,569	25,831	Management and General	None	Estimated based on similar spaces in the area for rent
Silent auction items	40,550	-	Fundraising	None	Estimated based on market rates for each item
Others	<u>-</u>	<u>2,533</u>	Management and General	None	Estimated based on market rates for each item
Total	<u>\$ 63,518</u>	<u>\$ 42,510</u>			

During the years ended December 31, 2022 and 2021, the Organization received a significant number of donated services from unpaid volunteers that do not satisfy the criteria for recognition under FASB ASC 958-605-25-16. The management estimated that about 2,061 and 2,038 hours from 82 and 87 volunteers, respectively, provided for the Organization, which consist of conducting board services, judges and tournaments, mentors, events, and legal visits services.

In addition to the above items, the Organization received pro bono consulting services during 2022 from a renowned professional services company in the estimated amount of \$500,000. These services were related to the eventual creation of the Organization's 2023-2025 strategic plan. Given the size of this in-kind donation in relation to the size of the organization, this gift was not included directly within the financial statements.

Silicon Valley Urban Debate League  
Notes to the Financial Statements  
December 31, 2022 and 2021

**Note 7. Retirement Plan**

The Organization has a defined contribution retirement plan, Simple IRA. All full-time employees are eligible to participate in the plan. For each calendar year, the employer matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions up to limit of 3% of the employee's compensation for the calendar year. The Organization contributed \$15,567 and \$17,604 to the plan in the year ended December 31, 2022 and 2021, respectively.

**Note 8. Liquidity and Availability of Financial Assets**

The following reflects the Organization'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.

	2022	2021
Cash and cash equivalents	\$ 224,827	\$ 173,275
Accounts receivable	25,085	80,421
Contributions receivable	100,000	36,333
Investments	12	2,539
Total Financial Assets Available for Use	349,924	292,568
Less those unavailable for general expenditure within one year, due to:		
Donor restrictions	(66,667)	(36,333)
Financial assets available to meet cash needs for general expenditures within one year	\$ 283,257	\$ 256,235

There are \$283,257 of financial assets are available to cover the Organization's liquidity needs. It is the Organization's liquidity management to structure its financial assets to be available for its general expenditures, liabilities, and other obligations come due. The Organization has a goal to maintain sufficient financial assets on hands, which consist of cash, receivables and short-term investments, to meet the total of next year's projected management and fundraising expenses, which are expected to be approximately \$273,349. Based on projected estimate, the Organization has sufficient liquid assets to cover its current liabilities.