

**Python Software Foundation  
(a Not-for-Profit Corporation)  
Financial Statements  
December 31, 2020**

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Independent Auditor's Report

To the Board of Directors of  
Python Software Foundation

We have audited the accompanying financial statements of Python Software Foundation (a Not-for-Profit Corporation), which comprise the statement of financial position as of December 31, 2020, 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.

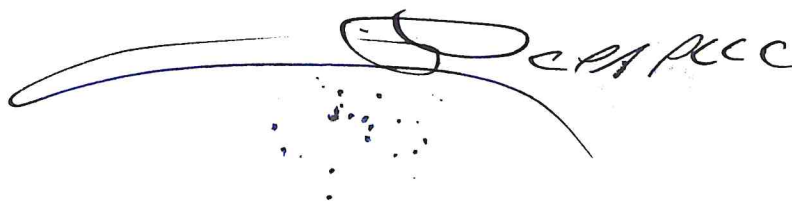
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 Python Software Foundation (a Not-for-Profit Corporation) 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.

March 31, 2022



**Python Software Foundation**  
**(a Not-for-Profit Corporation)**  
**Statement of Financial Position**  
**December 31, 2020**

**Assets**

Current Assets

Cash	\$ 3,572,752
Due from paypal	48,455
Prepaid expenses	96,093
Accounts receivable	417,098
Total Current Assets	<u>\$ 4,134,398</u>

Total Assets	<u><u>\$ 4,134,398</u></u>
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**Liabilities and Net Assets**

**Liabilities**

Current Liabilities

Accounts payable	\$ 79,735
Deferred revenue	132,527
Advance on conditional contribution - Payroll Protection Plan	139,500
Total Current Liabilities	<u>351,762</u>

**Net Assets**

Without donor restrictions	3,068,190
With donor restrictions	714,446
Total Net Assets	<u>3,782,636</u>

Total Liabilities and Net Assets	<u><u>\$ 4,134,398</u></u>
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See independent auditor's report and accompanying notes to the financial statements.

**Python Software Foundation**  
**(a Not-for-Profit Corporation)**  
**Statement of Activities**  
**For the Year Ended December 31, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support and Revenue</b>			
Contributions	\$ 917,939	\$ 73,677	\$ 991,616
General sponsorship income	520,448	332,033	852,481
Contributions - use of services	-	114,403	114,403
Conference registration fees	1,919	49,875	51,794
Conference sponsorship income	190,221	-	190,221
Advertising income	34,497	-	34,497
Membership dues	32,076	-	32,076
Royalties	171	-	171
Realized gain (loss) on currency conversion	25	-	25
Interest Income	23,460	-	23,460
	<u>1,720,756</u>	<u>569,988</u>	<u>2,290,744</u>
Net assets released from restrictions:			
Satisfaction of program restrictions	565,129	(565,129)	-
Total Support and Revenue	<u>2,285,885</u>	<u>4,859</u>	<u>2,290,744</u>
<b>Expenses</b>			
Program services	<u>1,300,743</u>	-	<u>1,300,743</u>
Supporting services:			
General and administrative	425,502	-	425,502
Fund-raising	179,260	-	179,260
Total supporting services	<u>604,762</u>	-	<u>604,762</u>
Total Expenses	<u>1,905,505</u>	-	<u>1,905,505</u>
Change in Net Assets	380,380	4,859	385,239
Beginning Net Assets	2,687,810	709,587	3,397,397
Ending Net Assets	<u>\$ 3,068,190</u>	<u>\$ 714,446</u>	<u>\$ 3,782,636</u>

See independent auditor's report and accompanying notes to the financial statements.

**Python Software Foundation**  
**(a Not-for-Profit Corporation)**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2020**

	<u>Program Services</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>General and Administrative</u>	<u>Fund-raising</u>	
Salaries and wages	\$ 204,574	\$ 282,519	\$ 117,984	\$ 605,077
Payroll taxes	15,952	22,040	9,203	47,195
Employee benefits	32,631	45,552	12,218	90,401
Website development	378,805	1,345	6,025	386,175
Technology expenses	191,474	768	-	192,242
Grants	153,371	-	-	153,371
Legal fees	88,636	7,239	902	96,777
Professional fees	53,738	37,778	738	92,254
Bank charges and other fees	41,341	7,710	8,036	57,087
Office supplies and other	20,637	18,670	399	39,706
Venue rental	37,845	-	-	37,845
Catering	28,749	-	-	28,749
Audio / video	17,902	-	-	17,902
Bad debt expenses	9,200	(4,439)	12,540	17,301
Registration service fees	17,243	-	-	17,243
Travel, meals and lodging.	7,647	1,771	-	9,418
Sundry taxes and government assessments	-	2,318	7,034	9,352
Advertising	223	-	4,065	4,288
Insurance	775	2,231	116	3,122
<b>Total Expenses</b>	<b>1,300,743</b>	<b>425,502</b>	<b>179,260</b>	<b>1,905,505</b>

See independent auditor's report and accompanying notes to the financial statements.

**Python Software Foundation  
(a Not-for-Profit Corporation)  
Statement of Cash Flows  
For the Year Ended December 31, 2020**

**Cash Flows from Operating Activities**

Change in Net Assets	\$	385,239
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
(Increase) decrease in operating assets:		
Due from PayPal		(15,454)
Prepaid expenses		73,164
Accounts receivable		12,361
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses		(21,926)
Grants Payable		(1,388)
Deferred revenue		(1,077,310)
Advance on conditional contribution - Payroll Protection Plan		139,500
Net cash provided by operating activities		<u>(505,814)</u>
Net Decrease in Cash		(505,814)
Beginning Cash		4,078,566
Ending Cash	\$	<u><u>3,572,752</u></u>

See independent auditor's report and accompanying notes to the financial statements.

**Python Software Foundation  
(a Not-for-Profit Corporation)  
Notes to Financial Statements  
December 31, 2020**

**Note 1 - Nature of Activities and Summary of Significant Accounting Policies**

Nature of Activities

Python Software Foundation (a Not-for-Profit Corporation) (the Organization) holds the intellectual property rights behind the Python programming language. The mission of the Organization is to promote, protect, and advance the Python programming language, and to support and facilitate the growth of a diverse and international community of python programmers.

The Organization was incorporated in the State of Delaware in May 2006.

Basis of Accounting

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

Income Taxes

The Organization is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and donor restricted net assets.

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. These net assets may be used at the discretion of the Organization's management and the board of directors. Donor restricted contributions that are expended for their restricted purpose in the same reporting period as received may be recorded as without donor restrictions.

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. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates

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

Cash

Cash consists of demand deposit accounts held at major financial institutions and may at times exceed the insurable amount. Management believes it mitigates its risk by investing in a major financial institution and in funds that are currently U.S. federal government insured. Recoverability of investments is dependent upon the performance of the issuer.

See independent auditor's report.



**Python Software Foundation  
(a Not-for-Profit Corporation)  
Notes to Financial Statements  
December 31, 2020**

**Note 1 – Nature of Activities and Summary of Significant Accounting Policies (continued)**

Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with original maturities of three months or less when purchased to be cash equivalents.

Functional Allocation of Expenses

The costs of providing various program and other activities have been summarized on a functional basis in the statement of activities. Certain expenses have been classified based on direct expenditures, other costs were allocated based on estimates made by management such as time spent, quantities of items consumed and the proportion of physical space used.

Revenue Recognition

*Contribution Revenue*

Contribution revenue is recognized when the donor makes a promise to give to the Organization that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the same reporting period in which the Contribution revenue is recognized. All other donor restricted contributions are reported as increases in donor restricted net assets. When a restriction expires donor restricted net assets are reclassified to net assets without donor restrictions.

*Revenue from Contracts with Customers*

PyCon US, hosted by the Organization, is organized by and for the Python community and is dedicated to providing an inclusive experience. PyCon US is a conference dedicated to promoting the Python language. Registration fees and advertising comprise the related revenue.

The Organization also provides fiscal sponsorship for Python-focused user groups and projects based in the United States. These groups hold regular education and networking meetings and/or present regional Python conferences. A percentage of the fiscal sponsors' contributions are retained by the Organization.

Membership revenue represents donations to the Organization. There is no element of membership fees that are exchange transactions.

Revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration the Organization expects to be entitled to in exchange for those goods or services.

Fair Value Measurements and Disclosures

Carrying values of financial instruments, including cash and cash equivalents, prepaid expenses, and accrued expenses, approximated their fair values due to the short term nature of these financial instruments. There were no changes in methods or assumptions during the year ending December 31, 2020.

See independent auditor's report.

**Python Software Foundation  
(a Not-for-Profit Corporation)  
Notes to Financial Statements  
December 31, 2020**

**Note 1 – Nature of Activities and Summary of Significant Accounting Policies (continued)**

Accounts Receivable

Unconditional promises to give are recognized in the period received both as revenues or gains and as assets, decreases of liabilities, or expenses, depending on the form of benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through adjustments to valuation allowances based on its assessment of the current status of individual receivables. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance. For the year ended December 31, 2020 the allowance for doubtful accounts was \$0.

All contributions receivable are expected to be received within the current operating cycle of one year.

Concentrations

Approximately 94% of accounts receivable was due from one organization during year ended December 31, 2020.

Advertising Costs

The Organization expenses advertising costs as incurred. For the year ended December 31, 2020, advertising expense was \$4,288.

Subsequent Events

In preparing these financial statements, the Organization has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through March 31, 2022, the date the financial statements were available to be issued.

COVID-19

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings. The COVID-19 outbreak is also disrupting supply chains and affecting production and sales across a wide range of industries. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. Therefore, the Organization expects this matter may negatively impact its operating results. The extent of the impact of COVID-19 on the Companies operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the Organization's donors and customers, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the financial condition of the Organization or results of operations is uncertain.

**Note 2 - Unearned Income**

Unearned income represents income for the year ending December 31, 2021, that was received during the year ended December 31, 2020.

See independent auditor's report.

**Python Software Foundation**  
**(a Not-for-Profit Corporation)**  
**Notes to Financial Statements**  
**December 31, 2020**

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

Donor restricted net assets by revenue source and changes therein for the year ended December 31, 2020, were as follows:

	Beginning Balance December 31, 2019	Additions	Releases from Restrictions	Ending Balance December 31, 2020
Net assets with donor restrictions as to purpose for the following projects:				
Boston Python	\$ 3,957	\$ 1,550	\$ 2,804	\$ 2,703
Pallets	24,309	36,772	3,836	57,245
Philly PUG	221	-	-	221
PuPPY	2,137	20	3	2,154
PyArkansas	2,341	-	-	2,341
PyBeach	-	3,125	1,090	2,035
PyCarolinas	1,044	-	-	1,044
PyCascades	60,816	101,968	109,124	53,660
PyHawaii	1,493	-	-	1,493
PyMNTOS	2,444	1,732	855	3,321
Python San Diego	266	400	44	622
PyLadies-All Other Chapters	58,178	3,806	552	61,432
Py Ladies-Chicago	1,473	260	10	1,723
Chan Zuckerberg (CZI)	199,984	140,000	165,792	174,192
Facebook	90,750	-	49,071	41,679
Google	-	258,171	-	258,171
MOSS	207,000	-	186,836	20,164
Infrastructure	44,752	-	44,752	-
Packaging Working Group	8,422	22,184	360	30,246
	<b>\$ 709,587</b>	<b>\$ 569,988</b>	<b>\$ 565,129</b>	<b>\$ 714,446</b>

See independent auditor's report.

**Python Software Foundation  
(a Not-for-Profit Corporation)  
Notes to Financial Statements  
December 31, 2020**

**Note 4 –Liquidity and Availability of Financial Assets**

The Organization's working capital and cash flows have seasonal variations during the year attributable to the timing of program and fundraising activities. Monthly cash outflows vary each year based on the specific requirements of the program activities. To manage liquidity the Organization budgets cash flow and conducts fundraising activities that are timed to fulfill anticipated funding requirements. Management estimates that the financial assets available to meet operating cash needs for general expenditures represents 12 months of operations.

The following reflects the Organization's financial assets as of the balance sheet date:

Cash	\$ 3,572,752
Due from PayPal	48,455
Accounts receivable	<u>417,098</u>
Total financial assets	4,038,305
Less: net assets with donor restrictions	<u>( 714,446)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,323,859</u>

See independent auditor's report.

Python Software Foundation  
(a Not-for-Profit Corporation)  
Supplemental Schedule of Program Expenses  
For the Year Ended December 31, 2020

	Program Services							
	PyCon US	Packaging Work Group	CPython/ Development	Fiscal Sponsors/ees	Grants	Infrastructure and Other	Total 2020	
Salaries and wages	\$ 156,321	-	-	\$ 24,941	\$ 23,312	-	\$ 204,574	
Payroll taxes	12,241	-	-	1,918	1,793	-	15,952	
Employee benefits	24,454	-	-	3,578	4,599	-	32,631	
Website development	-	375,999	-	2,806	-	-	378,805	
Technology expenses	19	-	-	-	-	191,455	191,474	
Grants	18,958	-	-	12,471	121,942	-	153,371	
Legal fees	-	-	-	-	-	88,636	88,636	
Professional fees	45,429	-	1,276	7,033	-	-	53,738	
Bank charges and other fees	38,638	184	38	1,786	666	28	41,341	
Venue rental	10,005	-	-	27,840	-	-	37,845	
Catering	2,800	-	-	25,949	-	-	28,749	
Office supplies and other	3,789	3,299	-	13,447	-	103	20,637	
Audio / video	13,215	-	-	4,687	-	-	17,902	
Registration service fees	16,201	-	-	1,042	-	-	17,243	
Bad debt expense	-	5,000	-	4,200	-	-	9,200	
Travel, meals and lodging	3,706	1,879	-	2,063	-	-	7,647	
Insurance	153	-	-	599	23	-	775	
Advertising	-	-	-	223	-	-	223	
<b>Total Program Expenses</b>	<b>\$ 345,928</b>	<b>\$ 386,361</b>	<b>\$ 1,315</b>	<b>\$ 134,582</b>	<b>\$ 152,335</b>	<b>\$ 280,222</b>	<b>\$ 1,300,743</b>	

See independent auditor's report and accompanying notes to the financial statements.