



WINKLEBLACK CPAs
PROFESSIONAL CORPORATION

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
The Read to Me Project
Salinas, CA

We have reviewed the accompanying financial statements of The Read To Me Project (a non-profit organization), which comprise the Statement of Financial Position as of June 30, 2020 and the related statement of Activities and changes in Net Assets, and Statement of Cash Flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

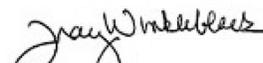
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.


Carmel, CA

November 19, 2020

**The Read to Me Project
Statement of Financial Position
as of June 30, 2020**

ASSETS

Current assets

Cash, cash equivalents and restricted cash	\$ 427,380
Accounts Receivable	-
Prepaid Expenses	<u>319</u>
Total current assets	<u>\$ 427,699</u>

Other assets

Furniture and equipment (net of accumulated depreciation of \$1,091) (Note 2)	\$ -
Security deposits	<u>-</u>
Total other assets	<u>\$ -</u>

Total assets	<u>\$ 427,699</u>
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LIABILITIES & NET ASSETS

Current liabilities

Accounts payable	\$ 152
Payroll liabilities	\$ 18,861
Credit card payable	<u>633</u>
Total current liabilities	<u>\$ 19,646</u>

Total liabilities	<u>\$ 19,646</u>
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Net Assets

Without donor restrictions	239,553
With donor restrictions (Note 1)	<u>168,500</u>
Total net assets	<u>408,053</u>

Total liabilities & net assets	<u>\$ 427,699</u>
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The Read to Me Project
Statement of Activities Changes in Net Assets
For the year ended June 30, 2020

	Without Donor Restriction	With Donor Restriction	Total
Revenues:			
Business and Foundation Grants	\$ 122,842	\$ 168,500	\$ 291,342
Individual and Business Donations	65,551	-	65,551
Program Service Fees	58,100		58,100
Net assets released from restrictions	187,250	(187,250)	-
Total revenues	\$ 433,743	\$ (18,750)	\$ 414,993
Cost and expenses:			
Contract Services/Professional Fees	11,089	-	11,089
Depreciation	237	-	237
Direct Program Costs (Non-Payroll)	8,670	-	8,670
Fund Development and Community Outreach	1,822	-	1,822
Information Technology	1,664	-	1,664
Insurance	2,507	-	2,507
Occupancy	18,415	-	18,415
Office Expenses	2,776	-	2,776
Other Expenses	1,987	-	1,987
Payroll Expenses	316,278	-	316,278
Recruiting, Training, Staff Development	4,051	-	4,051
Travel and Meetings	608	-	608
Total costs and expenses	370,104	-	370,104
Income from operations before other income	63,639	(18,750)	44,889
Change in net assets	63,639	(18,750)	44,889
Net assets at beginning of year	175,913	187,250	363,163
Net assets as of June 30, 2020	\$ 239,553	\$ 168,500	\$ 408,053

See accompanying notes and accountant's review report

**The Read to Me Project
Statement of Cash Flows
For the year ended June 30, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income	\$ 44,889
Adjustments to reconcile net income to net cash provided by operating activities:	
Increase in accounts receivable	100
Depreciation expense	237
Decrease in prepaid expenses	1,476
Increase in payroll liabilities	7,619
Increase in credit cards payable	(1,486)
Decrease in accounts payable	<u>(1,765)</u>
Net Cash Provided by Operating Activities	<u>51,070</u>
Net increase in cash	51,070
Cash, cash equivalents and restricted cash at beginning of year	<u>376,310</u>
Cash, cash equivalents and restricted cash at end of year	<u><u>\$ 427,380</u></u>

See accompanying notes and accountant's review report

1. Summary of significant accounting policies

Basis of Accounting

The financial statements are prepared in conformity with generally accepted accounting principles in the United States of America (GAAP).

Nature of Operations

The Read to Me Project promotes early-learning literacy through ensuring underserved infants, toddlers and preschool children within Monterey County are being read to on a regular basis. The organization is primarily funded through grants, individual and business donations, though there are also Program Service Fees.

Tax Exempt Status

The Organization is tax exempt under Internal Revenue Code 501(c)(3) for Federal and California income tax purposes.

Use of Estimates

Management does not use estimates in preparation of its financial statements, instead using actual amounts.

Balance Sheet Classification

A one-year time period is used as the basis for classifying all current assets and liabilities.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect based upon pledged amounts.

Accounts Payable

Accounts payable are stated at the amount owed. The amounts are payable to the organization's vendors.

Restrictions on cash and cash equivalents

Some grants are received for specific programmatic areas or purposes, or for the subsequent fiscal year and specify that the grant cannot be used for existing financial obligations.

The Read to Me Project
Notes to Financial Statements
June 30, 2020

Evaluation of Subsequent Events

Management has evaluated subsequent events through November 19, 2020, the date on which the financial statements were available to be issued.

2. Property, plant and equipment

Property and equipment are stated at cost. Depreciation is stated using the straight-line method over the estimated useful lives of the equipment. Expenditures for repairs and maintenance are charged to expense as incurred.

Furniture and equipment	\$ 1,091
Accumulated depreciation	<u>(1,091)</u>
Net Furniture and equipment	<u>\$ 0</u>