

THE READ TO ME PROJECT

INDEPENDENT ACCOUNTANT'S REVIEW REPORT ON UNAUDITED FINANCIAL STATEMENTS

For the Year Ended June 30, 2022

Prepared by:
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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, 2022, 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 control 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 engagements 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.

We are required to be independent of The Read to Me Project and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

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.

Sincerely,
George Dimov CPA
George Dimov, CPA
New York, NY
April 6, 2023

**Statement of Financial Position
as of June 30, 2022**

US Dollars	Note	June 30, 2022
Assets		
Property and Equipment (net of accumulated depreciation of \$1,091)	2	-
Non-current Assets		-
Cash and Cash Equivalents		545,586
Accounts Receivable		14,912
Current Assets		560,498
Total Assets		560,498
Liabilities		
Payroll Liabilities		25,257
Credit Card Payable		908
Accounts Payable		215
Current Liabilities		26,380
Total Liabilities		26,380
Net Assets		
Without Donor Restrictions		375,118
With Donor Restrictions	1	159,000
Total Net Assets		534,118
Total Liabilities and Net Assets		560,498

**Statement of Activities and Net Assets
for the year ended June 30, 2022**

US Dollars	Note	Without Donor Restriction	With Donor Restriction	Total
Revenues:				
Business and Foundation Grants		156,560	159,000	315,560
Individual and Business Donations		75,409	-	75,409
Program Service Fees		74,264	-	74,264
Net Assets Released from Restrictions		129,000	(129,000)	-
Total Revenues		435,233	30,000	465,233
Expenses:				
Payroll Expenses		335,495	-	335,495
Occupancy		17,951	-	17,951
Direct Program Costs (Non-Payroll)		12,498	-	12,498
Contract Services/Professional Fees		4,266	-	4,266
Recruiting, Training, Staff Development		3,708	-	3,708
Office Expenses		3,215	-	3,215
Information Technology		2,825	-	2,825
Insurance		2,806	-	2,806
Fund Development and Community Outreach		673	-	673
Travel and Mileage		209	-	209
Other expenses		2,475	-	2,475
Total Expenses		386,121	-	386,121
Income from Operations before Other Income		49,112	30,000	79,112
Other Income				
Employee Retention Credits		57,682	-	57,682
Other Income		1,671	-	1,671
Total Other Income		59,353	-	59,353
Change in Net Assets		108,465	30,000	138,465
Net Assets as of the Beginning of the Year		266,653	129,000	395,653
Net Assets as of the End of the Year		375,118	159,000	534,118

Statement of Cash Flows
for the year ended June 30, 2022

US Dollars	Note	year ended June 30, 2022
Cash Flows from Operating Activities		
Change in Net Assets		138,465
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Increase in Accounts Receivable		(14,912)
Increase in Payroll Liabilities		2,944
Decrease in Accounts Payable		(41)
Decrease in Credit Card Payable		(587)
Net Cash Provided by Operating Activities		125,869
Net Increase in Cash and Cash Equivalents		125,869
Cash at Beginning of Period		419,717
Cash at End of Period		545,586

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2022**
(in US Dollars)

Note 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 amounts collected subsequent to year end.

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.

Evaluation of Subsequent Events

Management has evaluated subsequent events through April 6, 2023, the date on which the financial statements were available to be issued.

Note 2: Property 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.

Property and Equipment	1,091
Accumulated Depreciation	(1,091)
Net Property and Equipment	<hr/> - <hr/>