



WINKLEBLACK CPAs
PROFESSIONAL CORPORATION

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Read to Me Project
Carmel Valley, California

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, 2017 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

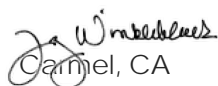
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and 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 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
December 12, 2017

**The Read to Me Project
Statement of Financial Position
as of June 30, 2017**

ASSETS

Current assets

Cash, cash equivalents and restricted cash	\$	165,033
Prepaid Expenses		3,446
Total current assets	\$	168,479

Other assets

Furniture and equipment (net of accumulated depreciation of \$418) (Note 2)	\$	673
Security deposits		475
Total other assets	\$	1,148

Total assets	\$	169,627
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LIABILITIES & NET ASSETS

Current liabilities

Accounts payable	\$	587
Credit card payable		891
Total current liabilities	\$	1,478

Total liabilities	\$	1,478
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Net Assets

Without donor restrictions		36,899
With donor restrictions (Note 1)		131,250
Total net assets		168,149

Total liabilities & net assets	\$	169,627
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**The Read to Me Project
Statement of Activities
For the year ended June 30, 2017**

Revenues:

Business and Foundation Grants	\$ 213,385
Individual and Business Donations	26,315
Program Service Fees	<u>65,450</u>
Total revenues	\$ 305,150

Cost and expenses:

Contract Services/Professional Fees	1,275
Depreciation	218
Direct Program Costs	15,389
Fund Development and Community Outreach	3,607
Information Technology	1,338
Insurance	2,538
Occupancy	13,830
Office Expenses	1,870
Other Expenses	447
Payroll Expenses	209,918
Recruiting, Training, Staff Development	12,538
Travel and Meetings	<u>876</u>
Total costs and expenses	<u>263,846</u>

Income from operations before other income	<u>41,304</u>
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Change in net assets	41,304
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Net assets at beginning of year	<u>126,844</u>
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Net assets as of June 30, 2017	<u>\$ 168,149</u>
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**The Read to Me Project
Statement of Cash Flows
For the year ended June 30, 2017**

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income	\$ 41,304
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation expense	218
Decrease in accounts receivable	40,000
Decrease in amount held at Paypal	707
Increase in prepaid expenses	(3,446)
Increase in security deposits	(400)
Increase in accounts payable	321
	<u>78,704</u>
Net Cash Provided by Operating Activities	
	<u>78,704</u>
Net increase in cash	78,704
Cash, cash equivalents and restricted cash at beginning of year	<u>86,328</u>
Cash, cash equivalents and restricted cash at end of year	<u><u>\$ 165,033</u></u>

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 company is primarily funded through grants, though there are also Program Service Fees.

Tax Exempt Status

The Company is tax exempt under Internal Revenue Code 501(c)(3) for Federal 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 amount are payable to the company's vendors.

Restrictions on cash and cash equivalents

Grant applications are received for the subsequent fiscal year and specify that the grant cannot to be used for existing financial obligations.

Read to Me Project
Notes to Financial Statements
June 30, 2017

Evaluation of Subsequent Events

Management has evaluated subsequent events through December 12, 2017, the date on which the financial statements were available to be issued.

2. Property, plant and equipment

Furniture and equipment	\$ 1091
Accumulated depreciation	<u>(418)</u>
Net Furniture and equipment	<u>\$ 673</u>