

Vision To Learn

Audited Financial Statements
As of and for the Year Ended June 30, 2022



Vision To Learn
Financial Statements
For the Year Ended June 30, 2022

Vision To Learn

Contents

Independent Auditor's Report	3-4
Financial Statements	
Statement of Financial Position	6
Statement of Activities	7
Statement of Functional Expenses	8
Statement of Cash Flows	9
Notes to Financial Statements	10-19

Independent Auditor's Report

To the Board of Directors
Vision To Learn
Los Angeles, California

Opinion

I have audited the accompanying financial statements of Vision To Learn (the Organization), which comprise the statement of financial position as of June 30, 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 my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Vision To Learn as of June 30, 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

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Vision to Learn and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Vision To Learn'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

My 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 my 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 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.

Independent Auditor's Report - continued

In performing an audit in accordance with generally accepted auditing standards, I:

- 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 Vision To Learn'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Vision To Learn's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Lewis Sharpstone & Co.

Woodland Hills, California
December 16, 2022

Financial Statements

Vision To Learn
Statement of Financial Position
As of June 30, 2022

Assets

Cash and cash equivalents	\$	9,451,073
Contributions receivable		6,911,322
Other receivables		363,612
Prepaid expenses and other assets		317,340
Property and equipment, net		3,251,364

Total Assets \$ 20,294,711

Liabilities and Net Assets

Liabilities

Accounts payable and accrued expenses	\$	1,417,338
Deferred revenue		327,136
Loans payable		293,689

Total Liabilities 2,038,163

Net Assets

Without donor restrictions	9,242,386
With donor restrictions	9,014,162

Total Net Assets 18,256,548

Total Liabilities and Net Assets \$ 20,294,711

See accompanying notes to financial statements

Vision To Learn
Statement of Activities
For the Year ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Support:			
Foundation contributions	\$ 4,602,752	\$ 8,385,854	\$ 12,988,606
Individual contributions	61,378	609,835	671,212
Corporate contributions	142,478	136,125	278,603
Government grants	836,426	73,746	910,172
Medi-Cal and Medicaid	106,620	-	106,620
In-kind contributions	1,062,526	-	1,062,526
Other income	9,180	-	9,180
Net assets released from restrictions	8,133,358	(8,133,358)	-
Total Revenue and Support	14,954,718	1,072,202	16,026,920
Expenses:			
Program services	12,141,694	-	12,141,694
Management and general	1,178,707	-	1,178,707
Fundraising	700,805	-	700,805
Total Expenses	14,021,206	-	14,021,206
Change in Net Assets	933,512	1,072,202	2,005,714
Net Assets, beginning of year	8,308,874	7,941,960	16,250,834
Net Assets, end of year	\$ 9,242,386	\$ 9,014,162	\$ 18,256,548

See accompanying notes to financial statements

Vision To Learn
Statement of Functional Expenses
For the Year Ended June 30, 2022

	Program Services	Management and General	Fundraising	Total
Eyeglasses and lenses	\$ 1,578,203	\$ -	\$ -	\$ 1,578,203
Insurance	103,445	47,770	-	151,215
IT expenses	-	137,684	-	137,684
Occupancy	248,819	41,170	21,997	311,986
Office expenses	119,040	51,558	87	170,685
Optometric supplies	139,457	-	-	139,457
Optometrists and opticians	4,333,561	-	-	4,333,561
Other	10,142	16,358	235	26,735
Professional fees	950,729	142,778	-	1,094,507
Publicity and development	-	-	72,645	72,645
Recruiting and onboarding expenses	-	166,942	-	166,942
Salaries and wages	3,432,675	525,815	602,258	4,560,748
Travel	265,645	15,996	3,583	285,224
Vehicles	327,834	-	-	327,834
Interest	12,802	4,126	-	16,928
Depreciation and amortization	619,342	28,510	-	647,852
Total expenses	\$ <u>12,141,694</u>	\$ <u>1,178,707</u>	\$ <u>700,805</u>	\$ <u>14,021,206</u>

See accompanying notes to financial statements

Vision To Learn
Statement of Cash Flows
For the Year ended June 30, 2022

Cash flows from operating activities	
Change in net assets	\$ 2,005,714
Adjustments to reconcile change in net assets to net assets provided (used) by operating activities	
Depreciation and amortization	647,852
Changes in operating assets and liabilities	
Contributions receivable	(4,186,486)
Other receivables	209,269
Prepaid expenses and other assets	(44,832)
Accounts payable and accrued expenses	829,362
Deferred revenue	<u>327,136</u>
Net cash used by operating activities	<u>(211,985)</u>
Cash flows from investing activities	
Purchase of property and equipment	<u>(2,486,178)</u>
Net cash provided (used) by investing activities	<u>(2,486,178)</u>
Cash flows from financing activities	
Repayments on loans	<u>(165,065)</u>
Net cash provided (used) by financing activities	<u>(165,065)</u>
Change in cash	(2,863,228)
Cash - beginning of year	<u>12,314,301</u>
Cash - end of year	\$ <u>9,451,073</u>

See accompanying notes to financial statements

Vision To Learn

Notes to Financial Statements

June 30, 2022

NOTE 1 - ORGANIZATION PROFILE

Vision To Learn (the Organization) is a nonprofit public benefit organization that provides free vision screenings, eye exams and glasses to kids in low-income communities. More than 2 million children in the U.S. do not have the glasses they need to see the board, read a book, or participate in class. Since its founding in 2012, Vision To Learn has provided over 2 million vision screenings, over 408,000 eye exams and over 330,000 pairs of glasses to kindergarten through high school students in 15 states and the District of Columbia. To date, Vision To Learn has visited over 4,500 schools and community organizations.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis which recognizes income when earned and expenses when incurred, in accordance with accounting principles generally accepted in the United States of America ("GAAP")

Financial Statement Presentation

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

Net Assets without Donor Restrictions: - Net assets without donor restrictions are available for use at the discretion of the Board of Directors and management for general operating purposes. From time to time the Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. No such designations existed as of June 30, 2022.

Net Assets with Donor Restrictions: - Net assets with donor restrictions consists of assets whose use is limited by donor imposed, time and/or purpose restrictions. The Organization reports cash or other assets received as revenues with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statement of activities as net assets released from restriction. See Note 6 for more information on the composition of net assets with donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with generally excepted accounting principles requires that management makes estimates and assumptions affecting the reported amounts of assets, liabilities, revenues, and expenses as well as disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Operating Support and Revenue

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions that increases that net asset class. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions is reclassified to net assets without donor restrictions and is reported

Vision To Learn

Notes to Financial Statements

June 30, 2022

in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions.

Contributions and contributions receivable

Contributions, including unconditional promises to give, are recognized as revenues in the year the contribution is received or the promise is made. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Pledges are recorded at gross amounts in the accompanying statement of financial position, less an estimated allowance for doubtful contributions receivable. Management has determined the discount required to reflect at the net present value of future cash flows is not material to the financial statements.

Government Grants

The Organization receives contract and grant funding from state and local agencies for providing vision services to kindergarten through high school students. Revenues from such contracts and grants are recognized as they are earned through expenditure in accordance with the agreements. Any funds received in advance of the expenditure being incurred are recorded as a liability. During the year ended June 30, 2022, the deferred revenue balance of \$327,136 represent unearned funds received prior to year end.

Medicaid Revenues

The Organization is a contracted provider for various Managed Care Organizations (MCOs) insuring Medicaid-covered children in California, Connecticut, Delaware, Georgia, Hawaii, Iowa, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, and Washington D.C. This allows the Organization to submit claims and receive payment for covered services provided, including eye exams and (in some cases) fitting of glasses. Payment is typically collected within a month of claims submission. The revenues are recognized immediately after the services are performed. The total revenues recognized and collected for the year ended June 30, 2022 were \$106,620.

Special Events

The Organization typically holds an annual event to raise money in support of its operations. Special event revenues include contributions and are recognized when the event is held, unless otherwise conditioned by donors. The contributions received for special events scheduled to occur after year-end are recorded as deferred revenues and recognized as revenues on the date of the event. During the year ended June 30, 2022, due to Covid-19 no special events were held.

Contributed Goods, Rent and Services

Contributed goods and services are recorded as contributions at their estimated fair values at the date of donation. Contributed goods consist primarily of eyeglasses, lenses, and optometric exam supplies which are used in the Organization's program at the time of donation. The use of contributed goods are recorded in the functional expense classification for the program in which the goods were used and no remaining inventory existed as of June 30, 2022. Contributions of services are recognized if the services received create or enhance non-financial assets or require specialized skills and would typically need to be purchased if not provided by donation.

Vision To Learn

Notes to Financial Statements

June 30, 2022

Fair Value Measurements

Accounting Standards Codification (“ASC”) Topic 820, Fair Value Measurements, establishes a framework for measuring fair value. That framework 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 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under ASC Topic 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities 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 or 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

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.

Cash and Cash Equivalents

The Organization considers all highly liquid instruments purchased with an original maturity of three months or less to be cash and cash equivalents. Cash equivalents consist of cash temporarily invested in money market accounts.

Property and Equipment

Property and equipment is recorded at cost at date of purchase or estimated fair value at date of donation, net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful life of five to seven years. The costs of normal maintenance, repairs, and minor replacements are charged to expense when incurred. When assets are sold or otherwise disposed of, the costs and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is included in operations.

The Organization capitalizes electronic medical record software development costs as internal-use software in accordance with FASS ASC Subtopic 350-40, Intangibles - Goodwill and Other - Internal-Use Software (ASC 350-40). Internal-use software is stated at cost less accumulated amortization and is amortized using the straight-line method over the estimated useful life of five years. Internal-use software assets are reviewed for impairment when events or circumstances indicate that the carrying value may not be recoverable over the remaining lives of the assets. ASC 350-40 requires internal-use software costs that are incurred in the preliminary project stage be expensed when incurred. During the

Vision To Learn

Notes to Financial Statements

June 30, 2022

software application implementation stage, capitalized costs include external consulting costs, cost of software licenses, and internal payroll and payroll-related costs for employees who are directly associated with a software project.

The Organization reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. When evaluating recoverability, management considers future undiscounted cash flows estimated to be generated by the property and equipment and any estimated proceeds from the eventual disposition. In the event these accumulated cash flows are less than the carrying amount of the property and equipment, the Organization recognizes an impairment loss equal to the excess of the carrying amount over the estimated fair value of the property and equipment. No impairment losses were recognized for the year ended June 30, 2022.

Income Taxes

The Organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue and Taxation Code of the State of California and, generally, is not subject to state or federal taxes on any net income that is derived from a trade or business regularly carried on and not in furtherance of the purpose for which it was granted exemption. No income tax provision has been recorded as net income, if any, from unrelated trade or business, and, in the opinion of management is not material to the financial statements taken as a whole.

The Organization has evaluated the financial statement impact of tax positions taken or expected to be taken in its tax returns. Management has determined that no tax liabilities need to be recorded under applicable accounting guidance for the year ended June 30, 2022. The Organization determined there are no tax positions which must be considered for disclosure. No examinations are currently pending. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

Functional Allocation of Expenses

The costs for providing program services and general administrative services, including fundraising expenses, have been summarized on a functional basis in the accompanying statement of activities and change in net assets and statement of functional expenses. Program-related expenses are tracked on a time entry system and reviewed and allocated regularly, and those costs not directly associated with program services are allocated to general administration expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited, which are defined as follows:

- Program service expenses consist of costs incurred in connection with providing services and conducting programs.
- General and administrative expenses consist of costs incurred in connection with the overall activities, which are not allocable to another functional expense category.
- Fundraising expenses consist of costs incurred in connection with activities related to obtaining grants and activities designed to generate revenue.

Concentrations of Business and Credit Risk

The Organization's cash and cash equivalents are maintained at major financial institutions. The Organization has exposure to credit risk to the extent that its cash and cash equivalents exceed amounts

Vision To Learn

Notes to Financial Statements

June 30, 2022

covered by Federal Deposit insurance. Management believes the Organization's credit risk is not significant.

Credit risk associated with contributions receivable is considered to be limited due to high historic collection rates and because of the strong long-term relationships the Organization has with donors. As of June 30, 2022, two donors represented approximately 54% and 14% of contributions receivable.

One donor represented 25% of total revenue and support for the year ended June 30, 2022. This donor's grant was a conditional contribution and this amount recognized represents the final 36% of the total grant amount.

The Organization enters into agreements and/or contracts with local school districts to provide vision programs at kindergarten through high schools, which contain rules and regulations that must be met by the Organization in order to continue providing the vision services. Some future contributions from private foundations and individuals are dependent on the Organization being in compliance with these rules and regulations.

Coronavirus Impact

Since March 2020, the US economy is facing considerable uncertainty related to the impact of COVID-19 virus. The Organization has taken steps to adapt its operations to the changing environment, including reconfiguring exam procedures, adding health and safety guidelines, and modifying HR policies, all of which will mitigate the impact on future operations.

Recent Accounting Pronouncements

On February 2016, the FASB issued ASU No. 2016-02, *Leases*. The new standard establishes a right-of-use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for the Organization in its year ended June 30, 2023. The Organization is in the process of evaluating the impact of adoption on its financial statements.

In September 2020, the Financial Accounting Standards Board (FASB) issued *ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to provide additional guidance to nonprofit organizations on how to record and disclose in-kind contributions. The overall purpose of the update is to provide more transparency into how organizations are receiving and valuing in-kind contributions. The ASU is effective for annual periods beginning after June 30, 2021. The Organization adopted this ASU in this financial statement and there were no material effects of this adoption on the Organization's financial statements.

Vision To Learn
Notes to Financial Statements
June 30, 2022

NOTE 3 CONTRIBUTIONS AND OTHER RECEIVABLES

Contributions and other receivables are estimated to be collected as follows at June 30, 2022:

One year or less	\$ 5,902,747
One to five years	<u>1,069,750</u>
Gross contributions receivable	6,972,497
Less discount	<u>(61,175)</u>
Contributions receivable, net	\$ <u>6,911,322</u>

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2022 consisted of the following:

Vehicles	\$ 3,609,068
Equipment	1,532,998
Software	233,455
Fixed assets under construction	482,395
Software development costs	<u>374,375</u>
Total cost of property and equipment	6,232,291
Less accumulated depreciation	<u>(2,980,927)</u>
Property and equipment - net	\$ <u>3,251,364</u>

Depreciation expense for the year ended June 30, 2022 was \$647,852.

Fixed assets under construction

To operate its mobile clinics, Vision To Learn regularly purchases cargo vans. These vans are then fitted with cabinetry, furnishings, and optometric equipment before placing it in operation. All expenditures incurred prior to placing the clinic in operation are recorded as fixed assets under construction.

Software development cost

This comprises two parts. The first part is the building of the new Electronic Health Records (EHR) system. This part was completed and placed in service in September, 2022. The second part is the billing platform of EHR. This part is expected to complete and operational in January, 2023.

Vision To Learn
Notes to Financial Statements
June 30, 2022

NOTE 5 LOANS PAYABLE

Loans payable at June 30, 2022 consisted of the following:

Three loans to finance the purchase of vehicles to be used as mobile vision clinics. The loans are collateralized by the related vehicles which have an aggregate net book value of \$103,180 at June 30, 2022, with interest rates ranging from 4.75-6.25%, principal and interest payable in monthly installments of \$8,954 per month, various maturity dates through November 2023.

\$ 137,599

\$150,000 EIDL, unsecured, bearing interest at 2.75% per annum, interest accrues from date of first advance, payable at \$641 per month of interest and principal commencing on July 2023, 30 months after initial disbursement date, balance due on maturity, January 2051.

156,090

Total

\$ 293,689

Future principal payments are as follows:

Years ending June 30,

2023

\$ 91,614

2024

49,428

2025

3,539

2026

3,637

2027

3,738

thereafter

141,733

Total

\$ 293,689

Vision To Learn
Notes to Financial Statements
June 30, 2022

NOTE 6 NET ASSETS

Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following as of June 30, 2022:

Restricted to the following regions:

Connecticut	\$	476,188
Delaware		19,100
Georgia		341,199
Hawaii		467,154
Iowa		85,124
Los Angeles		514,250
Maryland		216,400
Michigan – East		507,624
Michigan - West		50,000
Mississippi		20,000
New Jersey		198,200
North Carolina		1,504,957
Northern California		898,984
Ohio – Southeast		169,500
Ohio – Youngstown		50,000
Pennsylvania		25,000
Philadelphia		1,118,823
Pittsburgh		18,000
San Diego		125,000
South Carolina		279,274
Riverside, California		377,385
Restricted multi-state programming funds		1,302,000
Restricted - time		<u>250,000</u>
Total net assets with donor restrictions	\$	<u>9,014,162</u>

NOTE 7 IN-KIND CONTRIBUTIONS

During the year ended June 30, 2022 the Organization received in-kind goods and services as follows:

Eyeglasses frames and lenses	\$	959,136
Donated professional services		41,250
In-kind rent		<u>62,140</u>
Total	\$	<u>1,062,526</u>

Vision To Learn
Notes to Financial Statements
June 30, 2022

Donated eyeglasses consisted of 75,956 pairs of lenses and 24,161 frames. These were valued by the Organization at the estimated wholesale price the Organization would have paid for these items, purchased in the large quantities it received (a bulk purchase). The inputs for this estimate were publicly available data.

Donated professional services were valued by the Organization at the amount the Organization would have paid, but for the donation, taking account of the quantity of the services donated

In kind rent consisted of space used for free at four locations. The Organization estimated the value of the in-kind amount based upon the rate that would have had to be paid for the location of the space donated.

NOTE 8 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization monitors its financial assets available within one year of the balance sheet date for expenditures on a quarterly basis. As of June 30, 2022, the balance available was as follows:

Cash and cash equivalents	\$ 9,451,073
Contributions receivable	6,911,322
Other receivable	<u>363,612</u>
Total financial assets available	16,726,007
Less:	
Restricted by donors for specific programs	<u>(8,764,162)</u>
Financial assets available to meet cash needs within one year	\$ <u>7,961,845</u>

As part of the Organization's liquidity management the Organization prepares monthly rolling cash requirement projections which are used to ensure that needed balances are liquid and available for payment of general expenses in the near term. In addition, the Organization employs an extensive annual budgeting process and strategic planning process to ensure the Organization will continue to be poised to have funds available to pay for programs and general expenses in the long term.

NOTE 9 COMMITMENTS

Office Leases

The Organization has entered into eight short-term lease agreements for small office and storage space in several locations. Lease terms range from one (month to month) to twelve months with monthly rent ranging from \$185 to \$900 per month for each lease.

In addition, the Organization has entered into five longer-term leases with lease terms ranging to up to 36 months and aggregate monthly rents of approximately \$18,000.

Vision To Learn
Notes to Financial Statements
June 30, 2022

The lease commitment at June 30, 2022 was as follows:

For the year ended June 30,

2023	\$	182,839
2024		62,108
2025		28,136
2026		<u>2,029</u>
Total	\$	<u>275,112</u>

In addition, the Organization received in-kind month to month rent for four locations for the year ended June 30, 2022.

Rent expense related to all these leases was approximately \$205,000 for the year ended June 30, 2022 and has been included in occupancy expense in the accompanying statement of functional expenses.

NOTE 10 CONTINGENCIES

Grants

Grants require the fulfillment of certain conditions set forth in the instrument of each grant. Failure to fulfill the conditions could result in the return of funds to the grantors. Although, that is a possibility, management deems the contingency remote, since by accepting the gifts and their terms, management is acknowledging the requirements of the grantor at the time of receipt of the grant.

NOTE 11 SUBSEQUENT EVENTS

The Organization's management has evaluated subsequent events through December 16, 2022, the date which the financial statements were available to be issued.