

REBOOT RECOVERY, INC.

**INDEPENDENT ACCOUNTANTS' AUDIT REPORT
AND FINANCIAL STATEMENTS**

**DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS DECEMBER 31, 2019)**

REBOOT RECOVERY, INC.

TABLE OF CONTENTS

INDEPENDENT ACCOUNTANTS' AUDIT REPORT-----1-2

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION-CASH BASIS-----3

STATEMENT OF ACTIVITIES-CASH BASIS-----4

STATEMENT OF FUNCTIONAL EXPENSES-CASH BASIS-----5

NOTES TO FINANCIAL STATEMENTS-----6-8

HOSKINS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

1900 Church Street, Suite 200 Nashville, TN 37203

Phone 615.321.7333 Fax 615.523.1868

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
REBOOT Recovery, Inc.
P.O. Box 381
Pleasant View, TN 37146

We have audited the accompanying financial statements of REBOOT Recovery, Inc. (a not-for-profit organization), which comprise the statement of financial position-cash basis as of December 31, 2020, and the related statements of activities-cash basis, and statement of functional expenses-cash basis, 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 the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditors' 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 of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depends 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

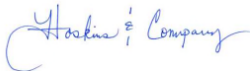
In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of REBOOT Recovery, Inc. as of December 31, 2020, and its support, revenue, and expenses for the year then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Report on Summarized Comparative Information

We have previously audited REBOOT Recovery, Inc.'s 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 10, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Hoskins & Company
Nashville, TN
March 1, 2021

REBOOT RECOVERY, INC.
STATEMENT OF FINANCIAL POSITION-CASH BASIS
DECEMBER 31, 2020 AND DECEMBER 31, 2019

Assets	2020	2019
Current assets		
Cash	<u>\$ 918,139</u>	<u>\$ 716,337</u>
Total current assets	<u>918,139</u>	<u>716,337</u>
Total assets	<u>918,139</u>	<u>716,337</u>
Liabilities and net assets		
Current liabilities		
Credit card	<u>\$ 11,593</u>	<u>\$ 14,153</u>
Total current liabilities	<u>11,593</u>	<u>14,153</u>
Net assets		
Without donor restrictions	<u>906,546</u>	<u>702,184</u>
Total net assets	<u>906,546</u>	<u>702,184</u>
Total liabilities and net assets	<u>918,139</u>	<u>716,337</u>

The accompanying notes are an integral part of these financial statements.

REBOOT RECOVERY, INC.
STATEMENT OF ACTIVITIES-CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS DECEMBER 31, 2019)

Revenues and support

	Without Donor Restrictions	With Donor Restrictions	2020 Total	2019 Total
Fundraising	\$ 88,109	\$ -	\$ 88,109	\$ 110,367
Sales	138,161	-	138,161	154,042
Interest income	3,534	-	3,534	13,885
Other contributions, gifts, grants	850,021	-	850,021	900,082
Cares Act- PPP forgiven	100,000	-	100,000	-
Total revenues and support	<u>1,179,825</u>	<u>-</u>	<u>1,179,825</u>	<u>1,178,376</u>

Expenses

Fundraising	117,724	-	117,724	145,698
Management & general	160,350	-	160,350	147,663
Program	697,388	-	697,388	831,130
Total expenses	<u>975,462</u>	<u>-</u>	<u>975,462</u>	<u>1,124,491</u>
Increase in net assets	204,363	-	204,363	53,885
Net assets at beginning of year	702,183	-	702,183	648,299
Net assets at end of year	<u>\$ 906,546</u>	<u>\$ -</u>	<u>\$ 906,546</u>	<u>\$ 702,184</u>

The accompanying notes are an integral part of these financial statements.

REBOOT RECOVERY, INC.
STATEMENT OF FUNCTIONAL EXPENSES-CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS DECEMBER 31, 2019)

				2020	2019
	Fundraising	Management & General	Program	Total	Total
Accounting Fees	\$ -	\$ 16,757	\$ 3,585	\$ 20,342	\$ 17,593
Advertising and Promotion	3,000	-	57,682	60,682	59,057
Conferences and Meetings	53	111	38,187	38,351	34,634
Events	300	-	-	300	21,765
Grants	-	-	62,536	62,536	78,321
Information Technology	6,221	3,663	32,644	42,528	23,925
Insurance	-	5,242	-	5,242	4,925
Legal Fees	-	-	2,813	2,813	998
Management Fees	-	711	-	711	822
Occupancy	-	33,840	-	33,840	33,840
Office Expenses	2,749	12,130	3,161	18,040	18,379
Other	1,491	1,383	34,594	37,468	149,769
Payments to Affiliates	-	4,800	-	4,800	4,800
Payroll Taxes	-	39,953	-	39,953	39,518
Professional Funding Service	-	-	-	-	3,000
Salaries and Benefits	103,910	41,760	457,888	603,558	595,657
Travel	-	-	4,298	4,298	37,488
Total	\$ 117,724	\$ 160,350	\$ 697,388	\$ 975,462	\$ 1,124,491

The accompanying notes are an integral part of these financial statements.

REBOOT RECOVERY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019

NOTE 1---NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

REBOOT Recovery, Inc. ("REBOOT") is a not-for-profit organization that helps people overcome trauma through faith-based programs. Our courses, training, and online community are open to anyone looking to move forward from trauma and tragedy into a better future. Utilizing nationally recognized assessment tools, we continually measure our courses' impact. Our published studies and ongoing program evaluation demonstrate our courses are effective in improving quality of life and character resiliency.

Basis of Presentation

The financial statements of the Organization have been prepared on a cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

The financial statement presentation follows the recommendations of the Financial Accounting Standard Board's Accounting Standard Codification 958 (FASB ASC 958) financial statements of not-for-profit Organizations. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions.

Financial position and activities are classified based on the existence or absence of donor restrictions as follows:

Net Assets without donor restrictions — Net assets that are not restricted by purpose or time either temporarily or perpetually by explicit donor stipulations or by law. Board designation does not constitute a donor restriction.

Net Assets with donor restrictions — Net assets that are restricted by purpose or time either temporarily or perpetually by explicit donor stipulations or by law.

At December 31, 2020 and December 31, 2019, REBOOT had no net assets with donor restrictions respectively.

Income Taxes

REBOOT is qualified as a tax-exempt organization as defined under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provisions for income taxes are applicable.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and savings accounts. At year-end and throughout the year, REBOOT's cash balances were deposited in bank. (See NOTE 2 regarding the risk associated with cash and cash equivalents).

REBOOT RECOVERY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019

NOTE 1---NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue, Support, and Expenses

REBOOT receives its contributions and donations from individuals, foundations and businesses, and recognizes revenue when cash is received. REBOOT reports gifts of cash as Net Assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as Net Assets without donor restrictions.

Expenses are recorded when paid in accordance with cash basis of accounting.

NOTE 2---CONCENTRATION OF CREDIT RISK

As of December 31, 2020 and December 31, 2019, REBOOT had a total of \$918,139 and \$716,336 in cash deposit accounts respectively. The amount that exceeded the Federal Deposit Insurance Corporation (FDIC) coverage limitation of \$250,000 for a financial institution was by \$418,139 and \$216,336 respectively.

NOTE 3---LIQUIDITY

As of December 31, 2020 REBOOT had \$918,139 in assets that are both current and without donor restrictions to meet its general expenditure within the next 12 months

NOTE 3---FUNCTIONAL ALLOCATION OF EXPENSES

Management allocates expenses among its various functional areas according to the purpose or function for which they are incurred. Expenses that identifiable with a specific program are assigned directly to the specific program by natural expenditure classification. Other expenses that are common to several programs and supporting activities are allocated based on objective, reasonable, rational and systematic established methodology.

NOTE 4---LEASE AGREEMENT

On April 1, 2018 and March 19, 2020, REBOOT entered into a lease agreement for offices in Eugene, OR and Pleasant View, TN , for terms of twelve months. The lease for Eugene, OR was extended on a month to month basis. The Eugene, OR office has a monthly rental expense of \$1,200, and the Pleasant View, TN office has a monthly rental expense of \$1,620. The total rent expense under these leases for December 31, 2020 and December 31, 2019 was \$33,840 and \$33,840. The future minimum lease payments are as follows:

2021	\$6,480
------	---------

REBOOT RECOVERY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019

NOTE 5---SUBSEQUENT EVENTS

There were no subsequent events requiring disclosure as of March 1, 2021, the date management evaluated such events. March 1, 2021 is the date the financial statements were available to be issued.