WRITERS & BOOKS, INC.

FINANCIAL STATEMENTS

December 31, 2025

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Writers & Books, Inc.
Rochester, New York

We have reviewed the accompanying financial statements of Writers & Books, Inc. (a New York State not-for-profit organization), which comprise the statement of financial position as of December 31, 2025 and the related statements of activities, functional expenses, and 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 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.

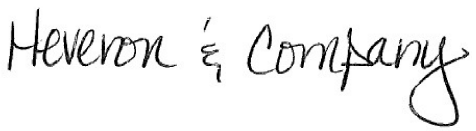
Accountants' Responsibility
Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited 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. We are required to be independent of Writers & Books, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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Accountants' 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.

Summarized Comparative Information
We previously reviewed Writers & Books, Inc.'s 2024 financial statements and in our conclusion dated August 12, 2025, stated that based on our review, we were not aware of any material modifications that should be made to the 2024 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein, as of and for the year ended December 31, 2024 for it to be consistent with the reviewed financial statements from which it has been derived



Heveron & Company
Certified Public Accountants

Rochester, New York
May 12, 2026

WRITERS & BOOKS, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

ASSETS

	2025	2024
Current Assets		
Cash and Cash Equivalents	$ 134,116	$ 80,802
Grants and Contributions Receivable	63,267	105,844
Prepaid Expenses	4,206	2,484
Inventory	12,745	12,687
Total Current Assets	214,334	201,817
Property and Equipment		
Land	11,150	11,150
Building and Improvements	1,798,131	1,793,901
Website	16,894	16,894
Equipment	132,872	137,102
Less: Accumulated Depreciation and Amortization	(1,406,783)	(1,351,941)
Net Property and Equipment	552,264	607,106
TOTAL ASSETS	$ 766,598	$ 808,923

LIABILITIES AND NET ASSETS

	2025	2024
Current Liabilities		
Line of Credit	$ 130,808	$ 133,612
Accounts Payable and Accrued Expenses	17,812	25,161
Deferred Revenue	4,586	3,595
Total Current Liabilities	153,206	162,368
Net Assets		
Without Donor Restrictions:		
Undesignated	395,573	428,035
Board Designated	50,816	-
Total Without Donor Restrictions	446,389	428,035
With Donor Restrictions:		
Purpose Restrictions	167,003	218,520
Total Net Assets	613,392	646,555
TOTAL LIABILITIES AND NET ASSETS	$ 766,598	$ 808,923

See Accompanying Notes to Financial Statements.

WRITERS & BOOKS, INC.
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2025
(With Comparative Totals For The Year Ended December 31, 2024)

	Without Donor Restrictions	With Donor Restrictions	Totals 2025	Totals 2024
Support and Revenue				
Individuals	$ 295,834	$ 34,670	$ 330,504	$ 174,166
Foundations	75,584	103,298	178,882	263,141
Government	24,077	25,000	49,077	101,970
Corporations	19,701	-	19,701	23,500
Workshops and Readings	125,218	-	125,218	87,426
Membership Dues	4,700	-	4,700	3,715
Rental Income	8,127	-	8,127	10,518
Contracted Services	7,200	-	7,200	2,075
Bookstore Sales	49,061	-	49,061	54,348
Less: Purchases	(29,570)	-	(29,570)	(41,893)
Other Income	7,942	-	7,942	694
Net Assets Released from Restriction	214,485	(214,485)	-	-
Total Support and Revenue	802,359	(51,517)	750,842	679,660
Expenses				
Program Services	475,844	-	475,844	591,859
Supporting Services:				
Management and General	243,793	-	243,793	127,507
Fundraising	64,368	-	64,368	105,043
Total Expenses	784,005	-	784,005	824,409
Change in Net Assets	18,354	(51,517)	(33,163)	(144,749)
Net Assets - Beginning of Year	428,035	218,520	646,555	791,304
Net Assets - End of Year	$ 446,389	$ 167,003	$ 613,392	$ 646,555

See Accompanying Notes to Financial Statements.

WRITERS & BOOKS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2025
(With Comparative Totals For The Year Ended December 31, 2024)

	Program Services	Management and General	Fund-Raising	Totals 2025	Totals 2024
Salaries and Wages	$ 214,186	$ 111,669	$ 40,805	$ 366,660	$ 407,523
Payroll Taxes and Benefits	32,498	15,998	5,846	54,342	57,420
Total Payroll Expenses	246,684	127,667	46,651	421,002	464,943
Artistic Fees	59,389	5,995	-	65,384	60,851
Depreciation and Amortization	52,100	2,742	-	54,842	55,546
Occupancy	36,112	9,376	8,027	53,515	47,474
Professional Fees	1,530	45,670	-	47,200	45,798
Scholarships	33,507	-	-	33,507	25,124
Bookstore Purchases	29,570	-	-	29,570	41,893
Office Expenses	6,292	17,316	1,732	25,340	28,264
Insurance	14,341	3,616	3,073	21,030	27,793
Advertising	10,395	7,789	116	18,300	11,454
Dues, Fees, and Licenses	5,651	6,491	4,769	16,911	19,297
Travel and Entertainment	8,043	2,457	-	10,500	15,656
Information Technology	1,800	7,236	-	9,036	2,501
Other Expenses	-	7,438	-	7,438	19,708
Total Expenses	505,414	243,793	64,368	813,575	866,302
Less expenses included with revenues on the Statement of Activities	(29,570)	-	-	(29,570)	(41,893)
Total expenses included in the expense section of the Statement of Activities	$ 475,844	$ 243,793	$ 64,368	$ 784,005	$ 824,409

See Accompanying Notes to Financial Statements.

WRITERS & BOOKS, INC.
STATEMENTS OF CASH FLOWS
For The Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flow From Operating Activities		
Change In Net Assets	$ (33,163)	$ (144,749)
Noncash Expenses, Revenues, Losses and Gains:		
Depreciation and Amortization	54,842	55,546
(Increase)/Decrease In:		
Accounts and Grants Receivable	42,577	31,164
Inventory	(58)	10,754
Prepaid Expenses	(1,722)	548
(Decrease)/Increase In:		
Accounts Payable and Accrued Expenses	(7,349)	20,395
Deferred Revenue	991	1,249
Net Cash Flow Provided/(Used) By Operating Activities	56,118	(25,093)
Cash Flow From Investing Activities		
Purchase of Property and Equipment	-	(9,295)
Net Cash Flow Provided/(Used) By Investing Activities	-	(9,295)
Cash Flow From Financing Activities		
Proceeds from Line of Credit	119,539	203,031
Payments on Line of Credit	(122,343)	(158,400)
Net Cash Flow Provided/(Used) By Financing Activities	(2,804)	44,631
Net Increase/(Decrease) in Cash and Cash Equivalents	53,314	10,243
Cash and Cash Equivalents - Beginning of Year	80,802	70,559
Cash and Cash Equivalents - End of Year	$ 134,116	$ 80,802
Supplemental Disclosures of Cash Flow Information		
Cash Paid During the Year for Interest	$ 7,438	$ 9,521

See Accompanying Notes to Financial Statements.

WRITERS & BOOKS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 1 - ORGANIZATION

Organization

Writers & Books, Inc. (the Organization) is a New York State not-for-profit literary arts organization mission-driven to foster reading and writing as lifelong activities for people of all ages and backgrounds to enrich their lives and the intellectual, social, and cultural vibrancy of their communities. Programs and events are many and varied, and engage constituencies living within the region, as well as a national audience participating remotely. Each year services engage approximately 9,000 individuals. The Organization obtains its support primarily from individuals and organizations in the community.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Net Assets

In accordance with accounting principles generally accepted in the United States of America, the Organization reports information regarding its financial position and activities according to the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated fund. See Note 10 for more information.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, based on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Revenue Recognition

A portion of the Organization's revenue is derived from cost-reimbursable federal and state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position.

The Organization recognizes revenue from workshops and contracted services during the year in which the related services are provided to the consumers, net of amounts to which it does not expect to be entitled. All amounts received prior to the performance of services are deferred to the applicable period, if any. Revenue from the Bookstore sales are recognized at the time of sale.

Contributions

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Contributions that are expected to be received in future years are recorded at their present value. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Membership dues, which are nonrefundable, are considered a contribution and any benefits received are deemed to be de minimis.

Income Taxes

The Internal Revenue Service has determined that the Organization is qualified as a charity exempt under Section 501(c)(3) of the Internal Revenue Code, and has also determined that the Organization is publicly supported. As a result, no provision for federal or state income taxes has been made.

Inventory

Inventory consists of books and other items sold at the Organization's bookstore and is stated at cost.

Use of Estimates in the Preparation of Financial Statements

Accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the amounts of assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could vary from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash, Cash Equivalents, and Restricted Cash

For the purposes of the statements of cash flows, cash, cash equivalents and restricted cash include all cash on hand and in banks, which, at times, may exceed federally insured limits. The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Organization has not experienced any losses in these accounts and does not believe it is exposed to any significant credit risk with respect to cash, cash equivalents and restricted cash. There was no restricted cash at December 31, 2025 and 2024.

Cash and cash equivalents consisted of the following at December 31:

	2025	2024
Petty Cash/Cash Held for Change	$ 300	$ 778
Checking	80,178	78,182
Savings	53,638	1,842
Total Cash and Cash Equivalents	$ 134,116	$ 80,802

Deferred Revenue

Deferred revenue at December 31, 2025 and 2024 consists of gift cards collected and sold in advance. This will be recognized as revenue as gift cards are utilized.

Property and Equipment

Property and equipment are stated at cost. The Organization capitalizes property and equipment with a cost of over $1,000 and an estimated useful life of three or more years. Depreciation and amortization is computed using the straight-line method based on the estimated useful lives of the assets, as follows:

	Years
Buildings and Improvements	5-39
Equipment	5-7
Website	5

Depreciation and amortization expense amounted to $54,842 and $55,546 for the years ended December 31, 2025 and 2024, respectively.

Grants and Contributions Receivable

Grants and contributions receivable are stated at the amount management expects to collect. Amounts that management believes to be uncollectible after collection efforts have been completed are written off. In addition, management evaluates the need for and, if appropriate, provides an allowance to reduce receivables to amounts management expects will be collected. Management determines the allowance for uncollectible grants receivable based on historical information, adjusted for current conditions, and reasonable and supportable forecasts. Management determined that no allowance was necessary at December 31, 2025 and 2024.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising
Advertising costs are expensed as incurred.

Reclassifications
Certain account balances as of December 31, 2024 have been reclassified to conform with the presentation as of December 31, 2025.

Functional Expenses
The costs of providing the various program services have been summarized on a functional basis in the details of functional expenses. Accordingly, certain costs have been allocated among the program services, management and general, and fundraising categories.

Expenses are allocated to program and supporting services on the following basis:

(a) Management and general and fundraising are costs not directly related to the Organization's purpose and include those costs for oversight, management, general recordkeeping, budgeting, soliciting grants and payroll functions.
(b) Personnel expenses are allocated on the basis of direct salaries.
(c) Building and occupancy costs are allocated on the basis of personnel costs and scope of programming (number of participants served, frequency of programming, and square footage required).
(d) Depreciation is allocated on the basis of usage of the related buildings and equipment.

In-kind Contributions
Contributed nonfinancial assets may include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. Contributed goods and services are recorded at fair value at the date of donation. The Organization does not sell donated gifts-in-kind. No significant contributions of such goods or services were received during the years ended December 31, 2025 and 2024, respectively.

NOTE 3 - DONATED SERVICES AND GOODS

The Organization receives donated services that, although substantial, do not meet the criteria for recording as revenue and expense under accounting principles generally accepted in the United States of America. During the year ended December 31, 2025 and 2024, 31 active volunteers provided 716 and 1,801 hours of service respectively. These consisted of cleaning crews, program activities and board meetings.

NOTE 4 - LINE OF CREDIT

The Organization currently has a line of credit at a bank with a maximum limit of $150,000. The line is secured by the Organization's building. Advances against this line bear interest at the current bank prime rate plus .79%. There was an outstanding balance at December 31, 2025 and 2024 of $130,808 and $133,612, respectively.

NOTE 5 - EMPLOYEE BENEFIT PLAN

The Organization has a retirement plan covering all eligible employees with at least three months of service. Contributions are a 100% match of 1% of the participants' contributions. There were contributions made totaling $3,061 and $3,369 for the years ended December 31, 2025 and 2024.

NOTE 6 - LIQUIDITY AND AVAILABILITY

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities of reading and writing programs, as well as the conduct of services undertaken to support those activities to be general expenditures.

At December 31, the following financial assets could readily be made available within one year of the statements of financial position date to meet general expenditures:

	2025	2024
Cash and Cash Equivalents	$ 134,116	$ 80,802
Accounts and Grants Receivable	63,267	105,844
Less: Restricted Net Assets	(167,003)	(218,520)
	$ 30,380	$ (31,874)

In addition, the Organization has a line of credit of $150,000 that can be drawn upon if necessary. As of December 31, 2025 and 2024, there was $130,808 and $133,612 of the line of credit in use. Also, the Organization has board designated funds of $50,816 that could be used if needed as well.

NOTE 7 - RELATED PARTY TRANSACTIONS

During the years ended December 31, 2025 and 2024, board members donated a total of $201,575 and $32,310 respectively.

NOTE 8 - PRIOR PERIOD ADJUSTMENTS

A prior period adjustment affecting the year ended December 31, 2024 was made. The December 31, 2024 comparative financial statements have been restated to reflect this adjustment. The adjustment was necessary to adjust balances for cash and liabilities in the proper period. The net adjustment was a increase of $38,610 in Net Assets Without Donor Restrictions.

NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods at December 31:

	2025	2024
Gell Center	$ 40,324	$ 97,323
Youth Education	37,375	32,615
Scholarships	29,526	38,582
Medical Benefits	18,000	-
Rochester Reads	10,000	-
Contract Fees	10,000	-
Salaries	7,500	-
Repairs and Maintenance	7,500	-
Image Meets Word	6,778	-
Timing Restriction	-	50,000
Total	$ 167,003	$ 218,520

NOTE 10 - BOARD-DESIGNATED NET ASSETS

In July 2025, the Board approved the establishment of a Board designated fund. The purpose of the fund is to segregate $50,000 for investment and also withdrawals can be made as a short-term, interest-free loan for cash flow management.

The changes in net assets of the board designated fund consist of the following for the year ended December 31, 2025:

	2025	2024
Contributions	$ 50,000	$ -
Interest	816	-
Ending Balance	$ 50,816	$ -

NOTE 11 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 12, 2026, which is the date the statements were available for issuance.