POWERING POTENTIAL INC.

FINANCIAL STATEMENTS
AND
ACCOUNTANTS' REPORT

MARCH 31, 2022
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Accountants’ Review Report</td>
<td>1</td>
</tr>
<tr>
<td>Statement of financial position as of March 31, 2022</td>
<td>2</td>
</tr>
<tr>
<td>Statement of activities for the year ended March 31, 2022</td>
<td>3</td>
</tr>
<tr>
<td>Statement of expenses for the year ended March 31, 2022</td>
<td>4</td>
</tr>
<tr>
<td>Statement of cash flows for the year ended March 31, 2022</td>
<td>5</td>
</tr>
<tr>
<td>Notes to financial statements</td>
<td>6 – 9</td>
</tr>
</tbody>
</table>
INDEPENDENT ACCOUNTANTS’ REVIEW REPORT

To: The Board of Directors of
Powering Potential Inc.

We have reviewed the accompanying statement of financial position of Powering Potential Inc., a not-for-profit organization, as of March 31, 2022, and the related statements of activities, 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 Organization 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 the financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 American Institute of Certified Public Accountants. 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 U.S. generally accepted accounting principles. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Powering Potential Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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 U.S. generally accepted accounting principles.

Skody Scot & Company, CPAs, PC

New York, NY
December 9, 2022
POWERING POTENTIAL INC.
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2022

ASSETS

Cash $ 82,224
Contributions receivable, net 176,081
Property, equipment and intangibles, net 74
Security deposit 593
Total assets $ 258,972

LIABILITIES AND NET ASSETS

Liabilities:
Accounts payable and accrued expenses $ 1,080

Commitments and contingencies (see notes)

Net Assets:
Without donor restrictions 69,311
With donor restrictions 188,581
Total net assets 257,892
Total liabilities and net assets $ 258,972

See independent accountants' review report and accompanying notes.

- 2 -
## Support and Revenues:

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$132,719</td>
<td>$188,581</td>
<td>$321,300</td>
</tr>
<tr>
<td>Contributions in-kind</td>
<td>71,000</td>
<td>-</td>
<td>71,000</td>
</tr>
<tr>
<td>Interest income</td>
<td>3</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Net assets released from restriction:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expiration of time restrictions</td>
<td>15,000</td>
<td>(15,000)</td>
<td>-</td>
</tr>
<tr>
<td>Total support and revenues</td>
<td>218,722</td>
<td>173,581</td>
<td>392,303</td>
</tr>
</tbody>
</table>

## Expenses:

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program services</td>
<td>169,989</td>
<td>-</td>
<td>169,989</td>
</tr>
<tr>
<td>Management and general</td>
<td>13,733</td>
<td>-</td>
<td>13,733</td>
</tr>
<tr>
<td>Fundraising</td>
<td>28,327</td>
<td>-</td>
<td>28,327</td>
</tr>
<tr>
<td>Total expenses</td>
<td>212,049</td>
<td>-</td>
<td>212,049</td>
</tr>
</tbody>
</table>

## Increase/(Decrease) in net assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase/(Decrease) in net assets</td>
<td>6,673</td>
<td>173,581</td>
<td>180,254</td>
</tr>
<tr>
<td>Net assets, beginning of year</td>
<td>62,638</td>
<td>15,000</td>
<td>77,638</td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>$69,311</td>
<td>$188,581</td>
<td>$257,892</td>
</tr>
</tbody>
</table>

See independent accountants' review report and accompanying notes.

- 3 -
<table>
<thead>
<tr>
<th></th>
<th>Program Services</th>
<th>Management and General</th>
<th>Fundraising</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$ 57,899</td>
<td>$ 3,217</td>
<td>$ 3,217</td>
<td>$ 64,333</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>4,383</td>
<td>243</td>
<td>244</td>
<td>4,870</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>3,434</td>
<td>189</td>
<td>191</td>
<td>3,814</td>
</tr>
<tr>
<td>Community relations</td>
<td>10</td>
<td>-</td>
<td>644</td>
<td>654</td>
</tr>
<tr>
<td>Consultants and outside contractors</td>
<td>71,495</td>
<td>1,000</td>
<td>22,433</td>
<td>94,928</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>110</td>
<td>-</td>
<td>-</td>
<td>110</td>
</tr>
<tr>
<td>Donations to others</td>
<td>22,604</td>
<td>-</td>
<td>-</td>
<td>22,604</td>
</tr>
<tr>
<td>Insurance</td>
<td>2,032</td>
<td>113</td>
<td>113</td>
<td>2,258</td>
</tr>
<tr>
<td>Office expenses</td>
<td>2,998</td>
<td>956</td>
<td>913</td>
<td>4,867</td>
</tr>
<tr>
<td>Professional fees</td>
<td>-</td>
<td>7,760</td>
<td>-</td>
<td>7,760</td>
</tr>
<tr>
<td>Rent</td>
<td>4,590</td>
<td>255</td>
<td>255</td>
<td>5,100</td>
</tr>
<tr>
<td>Travel, hotels and meetings</td>
<td>434</td>
<td>-</td>
<td>317</td>
<td>751</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$ 169,989</strong></td>
<td><strong>$ 13,733</strong></td>
<td><strong>$ 28,327</strong></td>
<td><strong>$ 212,049</strong></td>
</tr>
</tbody>
</table>

See independent accountants' review report and accompanying notes.

- 4 -

Skody Scot & Company, CPAs, PC.
Cash flows from operating activities:

Increase/(decrease) in net assets $ 180,254

Adjustments for non-cash items included in operating activities:

Depreciation and amortization 110
Discount on long-term pledges 1,419

Changes in assets and liabilities:
Contributions receivable (162,500)
Accounts payable and accrued expenses (140)
Deferred revenue (2,253)

Net cash provided/(used) by operating activities 16,890

Cash flows from investing activities -

Cash flows from financing activities:
Repayment of loan (1,000)

Net cash provided/(used) by financing activities (1,000)

Net increase/(decrease) in cash 15,890

Cash, at beginning of year 66,334

Cash, at end of year $ 82,224

See independent accountants' review report and accompanying notes.

Skody Scot & Company, CPAs, PC.
Note 1 - Summary of Significant Accounting Policies

The Organization

Powering Potential Inc. (the Organization), a not-for-profit organization, was incorporated in the State of New York on January 15, 2015. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and accordingly, no provision for federal, state or local income taxes has been recorded. The Organization does not believe its financial statements include any uncertain tax positions. The Organization primarily receives its support from contributions.

The purpose of the Organization is to work with local communities and governments to help design, fund, implement and manage programs that give students the resources to stimulate their imaginations, improve their educational outcomes, increase their chances of employment, and develop themselves and their communities. The Organization seeks to accomplish its mission by partnering with local Organization to procure, install and maintain solar-powered, Raspberry Pi computers and offline digital educational materials (no internet required), to design and conduct teacher and student training courses, and provide monitoring and evaluation data.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Receivables

Receivables that are expected to be collected within one year are recorded at their net realizable value. Receivables that are expected to be collected in future years are recorded at the present value of estimated future cash flows.

Property, Equipment and Intangibles

The Organization capitalizes certain property and equipment with estimated lives of three years or more. Purchased property and equipment are stated at cost, less accumulated depreciation. Donated property and equipment are stated at fair value on the date of donation, less accumulated depreciation. Depreciation and amortization of property, equipment and capitalized website costs is computed by the straight-line method over estimated useful lives of five to seven years. Expenditures for repairs and maintenance are charged as an expense, and major renewals and betterments are capitalized.
Note 1 - Summary of Significant Accounting Policies (Continued)

Net Assets

Net assets, revenues, gains and losses are classified based on 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. This classification includes net assets designated by the board or management for a specified purpose.

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 (endowment), where the donor stipulates that resources be maintained in perpetuity.

Revenue Recognition

The Organization recognizes contributions when cash, a noncash asset, or an unconditional promise to give is received. Conditional promises to give, which have a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Amounts received prior to the meeting of these conditions are reported as refundable advances in the statement of financial position. As of March 31, 2022, the Organization did not have any conditional pledges that were not recognized.

Contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted for a purpose by the donor are reported as support with donor restrictions and increases in net assets with donor restrictions. Contributions received with donor restrictions that are met in the same reporting period are reported as support without donor restrictions and increases in net assets without donor restrictions. When a restriction expires (either a stipulated time period ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and the statement of expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and related expenses based on estimated time and effort, and other expenses such as insurance and rent based on usage. The Organization classifies expenses, which are not directly related to a specific program, as Management and General expenses.
Note 2 - Property and Equipment

Property and equipment by major class consisted of the following at March 31, 2022:

- Computer equipment $ 550
- Website design 2,090
Less: accumulated depreciation and amortization (2,566)

$ 74

Note 3 - Contributions In-Kind

The Organization received contributions in-kind that meet the criteria for being recognized in accordance with GAAP. Donated services received during the year ended March 31, 2022 amounted to $71,000 and consisted of maintenance and updating software, website maintenance, legal services, and salesforce database support.

The contributions in-kind received during the years ended March 31, 2022, did not have any donor-imposed restrictions.

The valuation technique used by the Organization is to use comparable prices charged to unrelated organizations in the normal course of business.

Note 4 - Contributions Receivable

As of March 31, 2022, contributions receivable are due to be realized as follows:

- Within one year $ 117,500
- Between one and two years 60,000

177,500
Less: pledge discount (1,419)

$ 176,081

Note 5 - Concentrations

The Organization maintains its checking account with a major financial institution. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits up to $250,000 per financial institution. At times, the balances of the account may have exceeded the insurance limits during the year ended March 31, 2022.
POWERING POTENTIAL INC.
NOTES TO FINANCIAL STATEMENTS

Note 6 - Net Assets With Donor Restrictions

As of March 31, 2022, net assets with donor restrictions are available as follows:

- Educational achievement $ 12,500
- Fiscal year 2023 activities 117,500
- Fiscal year 2024 activities 58,581

Total $ 188,581

Note 7 - Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other obligations as they come due. 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 to be general expenditures. Amounts available for general expenditures over a 12-month period include donor-restricted amounts that are available for ongoing programmatic and support expenditures.

The following reflects the Organization’s financial assets, as of March 31, 2022, reduced by amounts not available for general use within one year because of contractual, donor-imposed, or internal restrictions and designations:

Financial assets:
- Cash $ 82,224
- Receivables 176,081
- Total financial assets 258,305

Less those unavailable for general expenditures within one year:
- Receivables due in more than one year ( 58,581)

Financial assets available to meet cash needs for general expenditures within one year $ 199,724

Note 8 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures and corrections through December 9, 2022, which is the date the financial statements were available to be issued.