



Touching Lives, Inc.

FINANCIAL STATEMENTS

September 30, 2021 and 2020

INTERNAL USE ONLY

	Page
REPORT	
Independent Auditors' Report	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	7
Notes to Financial Statements	8
REQUIRED COMMUNICATIONS	
Required Communications	15
Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality	21
Summary of Audit Adjustments	22
Management Representation Letter	23
INTERNAL CONTROL RECOMMENDATIONS	
Internal Control Findings	27



REPORT





Carr, Riggs & Ingram, LLC
4004 Summit Boulevard NE
Suite 800
Atlanta, GA 30319

770.394.8000
770.451.2873 (fax)
CRIcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Touching Lives, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Touching Lives, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2021 and the related statements of activities, functional expenses, and cash flows 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 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.

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 financial position of Touching Lives, Inc. as of September 30, 2021 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.

Prior Period Financial Statements

The financial statements of Touching Lives, Inc. as of September 30, 2020, were audited by other auditors whose report dated December 15, 2020, expressed an unmodified opinion on those statements.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia
February 5, 2022



FINANCIAL STATEMENTS



Touching Lives, Inc.
Statements of Financial Position

<i>September 30,</i>	2021	2020
Assets		
Cash and cash equivalents	\$ 1,316,581	\$ 667,859
Prepaid expenses	134,940	104,025
Furniture and equipment, net	23,672	34,084
<hr/>		
Total assets	\$ 1,475,193	\$ 805,968
<hr/>		
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 10,769	\$ 15,596
Accrued liabilities	22,862	47,140
Unearned conference revenue	69,409	20,445
Paycheck Protection Program loan	-	77,463
<hr/>		
Total liabilities	103,040	160,644
Net assets		
Without donor restrictions	1,372,153	645,324
<hr/>		
Total net assets	1,372,153	645,324
<hr/>		
Total liabilities and net assets	\$ 1,475,193	\$ 805,968
<hr/>		

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

Touching Lives, Inc.
Statements of Activities

<i>For the years ended September 30,</i>	2021	2020
Revenue and Other Support		
Without donor restrictions		
Contributions	\$ 2,652,659	\$ 2,307,184
Conference income	63,808	21,193
Product sales, net of cost of goods of \$4,505 and \$22,000	10,818	16,211
Contributed rent	24,000	24,000
Paycheck Protection Program loan forgiveness	77,463	-
Other income	9,471	(217)
<hr/>		
Total revenue and other support without donor restrictions	2,838,219	2,368,371
Expenses		
Program	1,719,993	1,720,666
General and administrative	289,124	271,365
Fundraising	102,273	91,483
<hr/>		
Total expenses	2,111,390	2,083,514
<hr/>		
Change in net assets	726,829	284,857
<hr/>		
Net assets without donor restrictions at beginning of year	645,324	360,467
<hr/>		
Net assets without donor restrictions at end of year	\$ 1,372,153	\$ 645,324
<hr/> <hr/>		

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

Touching Lives, Inc.
Statements of Functional Expenses

For the year ended September 30, 2021

	Program	General and Administrative	Fundraising	Total
Salaries and wages	\$ 78,638	\$ 63,515	\$ 9,074	\$ 151,227
Benefits and payroll taxes	40,831	32,980	4,711	78,522
Total personnel	119,469	96,495	13,785	229,749
Advertising and publicity	109,750	-	-	109,750
Answering service	14,677	-	-	14,677
Conferences	72,996	-	-	72,996
Depreciation	16,804	3,631	182	20,617
Dues and subscriptions	-	3,269	-	3,269
Facilities	21,624	10,176	-	31,800
Insurance	-	27,442	-	27,442
Internet and website	22,313	-	-	22,313
Merchant processing and other fees	1,768	34,857	-	36,625
Other expenses	5,000	-	-	5,000
Postage and printing	112,066	40,751	16,980	169,797
Production	110,145	-	12,238	122,383
Professional fees	366,364	62,820	21,011	450,195
Software and supplies	13,331	6,274	-	19,605
Television time	723,460	-	38,077	761,537
Travel and meals	10,226	3,409	-	13,635
Total	\$ 1,719,993	\$ 289,124	\$ 102,273	\$ 2,111,390

(Continued)

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

Touching Lives, Inc.
Statements of Functional Expenses (Continued)

For the year ended September 30, 2020

	Program	General and Administrative	Fundraising	Total
Salaries and wages	\$ 316,069	\$ 88,499	\$ 16,857	\$ 421,425
Benefits and payroll taxes	136,639	38,259	7,287	182,185
Total personnel	452,708	126,758	24,144	603,610
Advertising and publicity	97,010	-	-	97,010
Answering service	38,455	-	-	38,455
Conferences	11,120	-	-	11,120
Depreciation	22,312	3,821	191	26,324
Dues and subscriptions	-	2,824	-	2,824
Facilities	21,624	10,176	-	31,800
Insurance	-	12,805	-	12,805
Internet and website	23,213	-	-	23,213
Merchant processing and other fees	1,309	33,814	-	35,123
Other expenses	15,840	-	-	15,840
Postage and printing	144,566	52,569	21,904	219,039
Production	66,274	-	7,364	73,638
Professional fees	84,915	19,729	-	104,644
Software and supplies	12,173	5,728	-	17,901
Television time	719,724	-	37,880	757,604
Travel and meals	9,423	3,141	-	12,564
Total	\$ 1,720,666	\$ 271,365	\$ 91,483	\$ 2,083,514

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

Touching Lives, Inc.
Statements of Cash Flows

<i>For the years ended September 30,</i>	2021	2020
Operating Activities		
Change in net assets	\$ 726,829	\$ 284,857
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	20,617	26,324
Loss on sale of equipment	-	3,139
Donated stock	(95,042)	(16,969)
Paycheck Protection Program loan forgiveness	(77,463)	-
Changes in operating assets and liabilities:		
Prepaid expenses	(30,915)	(22,708)
Inventory, net	-	23,589
Accounts payable	(4,827)	(15,859)
Accrued liabilities	(24,278)	6,106
Unearned conference revenue	48,964	20,445
Net cash provided by operating activities	563,885	308,924
Investing Activities		
Purchase of furniture and equipment	(10,205)	(9,505)
Proceeds from sale of investments	95,042	16,969
Net cash provided by investing activities	84,837	7,464
Financing Activities		
Paycheck Protection Program loan proceeds	-	77,463
Net cash provided by financing activities	-	77,463
Net change in cash and cash equivalents	648,722	393,851
Cash and cash equivalents at beginning of year	667,859	274,008
Cash and cash equivalents at end of year	\$ 1,316,581	\$ 667,859

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