

Wall Watchers
Financial Statements for the Years
Ended June 30, 2022 and 2021

Wall Watchers
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June 30, 2022 and 2021

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To :
The Board of Directors
Wall Watchers
Matthews, NC

We have reviewed the accompanying financial statements of Wall Watchers (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022 and 2021 and the related statements of activities and cash flows for the years 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 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.

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 reasonable basis for our 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.

Ryan, Geer, Field & Rhodes, PLLC

Ryan, Geer, Field & Rhodes, PLLC
Matthews, NC
January 12, 2023

Wall Watchers

Statement of Financial Position

As of June 30, 2022 and 2021

ASSETS	June 30, 2022	June 30, 2021
CURRENT ASSETS		
Cash and cash equivalents	\$ 149,468	\$ 161,335
Accounts receivable	<u>6,250</u>	<u></u>
Total current assets	<u>155,718</u>	<u>161,335</u>
NONCURRENT ASSETS		
Property, equipment and software	32,181	32,181
Accumulated depreciation and amortization	<u>(31,843)</u>	<u>(31,629)</u>
Total noncurrent assets	<u>338</u>	<u>552</u>
Total assets	\$ <u>156,056</u>	\$ <u>161,887</u>
LIABILITIES AND NET ASSETS		
NET ASSETS		
Unrestricted funds	\$ 156,056	\$ 161,887
Total liabilities and shareholder's equity	\$ <u>156,056</u>	\$ <u>161,887</u>

See accompanying notes to financial statements.

Wall Watchers

Statements of Activities

For the years ending June 30, 2022 and 2021

	June 30, 2022	June 30, 2021
SUPPORT AND REVENUE		
Contributions	\$ 419,041	\$ 343,304
Listening In	25,000	25,000
Speaking Honorariums	663	65
Total sales	444,704	368,369
EXPENSES		
Program Services	351,515	310,734
Management and general	20,424	20,797
Fundraising	78,596	65,913
Total expenses	450,535	397,444
<i>CHANGE IN NET ASSETS</i>	(5,831)	(29,075)
<i>NET ASSETS, BEGINNING</i>	161,887	190,962
<i>NET ASSETS, ENDING</i>	\$ 156,056	\$ 161,887

See accompanying notes to financial statements.

Wall Watchers

Statement of Functional Expenses

As of June 30, 2022 and 2021

	Year Ended June 30, 2022				Year Ended June 30, 2021			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
PERSONNEL								
Salaries and wages	\$ 96,896	\$ 12,112	\$ 12,112	\$ 121,120	\$ 105,996	\$ 13,250	\$ 13,250	\$ 132,496
Payroll Taxes	7,428	929	929	9,286	8,124	1,016	1,016	10,156
Benefits	25,312	3,164	3,164	31,640	20,871	2,609	2,609	26,089
Total Personnel	129,636	16,205	16,205	162,046	134,991	16,875	16,875	168,741
OTHER EXPENSES								
Contract services	119,343	-	-	119,343	76,376	-	-	76,376
Administrative svcs	42,750	1,800	450	45,000	39,900	1,680	420	42,000
Travel & meals	6,795	850	850	8,495	1,774	417	417	2,608
Fundraising	-	-	55,088	55,088	-	-	47,647	47,647
Website costs	-	-	-	-	1,235	52	13	1,300
Podcast costs	12,600	-	-	12,600	12,600	-	-	12,600
Online services	10,029	-	-	10,029	6,850	288	72	7,210
Printing	5,954	251	63	6,268	21,764	916	229	22,909
Supplies & misc	3,505	148	37	3,690	2,183	134	98	2,415
Professional fees	15,177	639	160	15,976	4,503	190	47	4,740
Promotional expense	-	-	5,341	5,341	2,375	100	25	2,500
Liability insurance	3,843	162	40	4,045	2,289	96	24	2,409
Depreciation	203	9	2	214	84	4	1	89
Telephone & wire	1,680	360	360	2,400	3,810	45	45	3,900
Total Other Expenses	221,879	4,219	62,391	288,489	175,743	3,922	49,038	228,703
TOTAL EXPENSES	\$ 351,515	\$ 20,424	\$ 78,596	\$ 450,535	\$ 310,734	\$ 20,797	\$ 65,913	\$ 397,444

See accompanying notes to financial statements.

Wall Watchers

Statements of Cash Flows

For the years ending June 30, 2022 and 2021

	June 30, 2022	June 30, 2021
OPERATING ACTIVITIES		
Net income	\$ (5,831)	\$ (29,075)
Depreciation/amortization	214	89
Increase in accounts receivable	(6,250)	
Net cash provided by operating activities	(11,867)	(28,986)
INVESTING ACTIVITIES		
Additions to equipment and vehicles	-	(641)
Net cash used in investing activities	-	(641)
Net change in cash and cash equivalents	(11,867)	(29,627)
Beginning cash and cash equivalents	161,335	190,962
ENDING CASH AND CASH EQUIVALENTS	\$ 149,468	\$ 161,335

See accompanying notes to financial statements.

Wall Watchers

Notes to Financial Statements

For the years ending June 30, 2022 and 2021

NOTE 1 - SUMMARY OF OPERATIONS

Wall Watchers, a North Carolina not-for-profit corporation, is a nonprofit Christian ministry established in July 1998 to promote the Biblical principles of stewardship and help people apply those principles in their lives. Wall Watchers is an information intermediary; it collects, processes, and disseminates information, primarily to help donors make better informed giving decisions, but also to promote Christian stewardship in general.

Wall Watchers currently operates one major program to accomplish its purpose. MinistryWatch.com, provides free informational profiles of Christian ministries through a searchable database on the website www.ministrywatch.com.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in conformity with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, Wall Watchers is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of June 30, 2022 and 2021, Wall Watchers had no permanently restricted net assets and no temporarily restricted net assets.

Contributions

Wall Watchers accounts for contributions in accordance with Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*. Accordingly, Wall Watchers reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. As permitted under SFAS No. 116, Wall Watchers has adopted a policy that all temporarily restricted contributions utilized by year-end are recorded as unrestricted support.

Cash and equivalents

Cash and equivalents consists of cash on hand, cash in banks, certificates of deposit with an original maturity of 90 days or less, and money market funds.

Accounts Receivable

Accounts receivable consists of one contribution from American Endowment Foundation which was received in July 2022.

Property

Property consists of office furniture, equipment, and computers and is recorded at cost if purchased or fair value if donated. Depreciation is computed using the straight-line method with no salvage values over the estimated useful lives of the related assets, which vary from three to eight years.

System development costs

The cost of developing the web sites, databases, and systems that allow Wall Watchers to carry out its mission (\$25,000) has been capitalized and fully amortized in previous years, using the straight-line method.

Donated services

A number of volunteers, including members of the Board of Directors, contribute significant amounts of time to Wall Watchers, including performing the fundraising function. The value of this contributed time does not meet the criteria for recognition of contributed services and, accordingly, is not reflected as support in the accompanying financial statements.

Allocation of expenses

Expenses of Wall Watchers are reported on the functional basis in the statement of activities. They are allocated to program service, management and general, or fundraising according to the function benefited.

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Therefore, actual results could be different from those estimates.

NOTE 3 - DONATED PROPERTY AND FACILITIES

For the years ending June 30, 2022 and June 30, 2021, no office space was needed because all employees and independent contractors worked from home.

NOTE 4 - CONCENTRATIONS OF RISK

Support

Wall Watchers received 34% percent of its cash support from two donors during the year ended June 30, 2022.

NOTE 5 - CONTINGENCIES

A lawsuit that arose in the prior fiscal year was settled in mediation with no payout from Wall Watchers.