

**UNTOLD, INC.**

**FINANCIAL STATEMENTS  
INDEPENDENT AUDITORS' REPORT  
AND  
SUPPLEMENTARY INFORMATION  
Years Ended December 31, 2021 and 2020**

UNTOLD, INC.  
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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors

Untold, Inc.

Atlanta, Georgia

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Untold, Inc. (a Georgia not-for-profit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows, for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Untold, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Untold, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Untold, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Untold, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Untold, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Mersereau, Lazenby & Rockas, LLC*

Mersereau, Lazenby & Rockas, LLC

Certified Public Accountants

Suwanee, Georgia

November 10, 2022

UNTOLD, INC.  
STATEMENTS OF FINANCIAL POSITION  
December 31, 2021 and 2020

ASSETS		
	2021	2020
<b>CURRENT ASSETS</b>		
Cash	\$ 1,717,236	\$ 1,833,943
Investments (Note 11)	1,188,729	704,881
Grants receivable (Note 10)	-	100,000
Other current assets	30,701	90,387
Inventory	2,653	4,111
Total current assets	2,939,319	2,733,322
 PROPERTY AND EQUIPMENT, net (Note 7)	 73,645	 122,662
 TOTAL ASSETS	 \$ 3,012,964	 \$ 2,855,984
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 15,661	\$ 9,818
Other current liabilities	4,966	6,339
Total current liabilities	20,627	16,157
 <b>NET ASSETS</b>		
Without donor restrictions		
Undesignated - expendable	1,667,161	1,639,261
Net invested in property and equipment	73,645	122,662
Total net assets without donor restrictions	1,740,806	1,761,923
Net assets with donor restrictions (Note 3)	1,251,531	1,077,904
Total net assets	2,992,337	2,839,827
 TOTAL LIABILITIES AND NET ASSETS	 \$ 3,012,964	 \$ 2,855,984

See auditors' report and accompanying notes to the financial statements

UNTOLD, INC.  
STATEMENTS OF ACTIVITIES  
Years Ended December 31, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE</b>						
Contributions	\$ 1,377,938	\$ 4,018,881	\$ 5,396,819	\$ 1,659,594	\$ 3,435,431	\$ 5,095,025
In kind contributions (Note 9)	-	65,318	65,318	-	68,040	68,040
Total contributions	1,377,938	4,084,199	5,462,137	1,659,594	3,503,471	5,163,065
Book and merchandise sales	731	-	731	3,924	-	3,924
Less cost of goods sold	(1,458)	-	(1,458)	(4,553)	-	(4,553)
Net book and merchandise sales	(727)	-	(727)	(629)	-	(629)
Investment and other income	5,906	-	5,906	20,277	-	20,277
Net assets released from restrictions:						
Satisfaction of program restrictions	3,910,572	(3,910,572)	-	2,831,110	(2,831,110)	-
Total revenue	5,293,689	173,627	5,467,316	4,510,352	672,361	5,182,713
<b>EXPENSES</b>						
Program services	4,038,365	-	4,038,365	3,028,440	-	3,028,440
Management and general	516,540	-	516,540	392,497	-	392,497
Fundraising	759,901	-	759,901	697,371	-	697,371
Total expenses	5,314,806	-	5,314,806	4,118,308	-	4,118,308
CHANGE IN NET ASSETS	(21,117)	173,627	152,510	392,044	672,361	1,064,405
NET ASSETS, Beginning of year	1,761,923	1,077,904	2,839,827	1,369,879	405,543	1,775,422
NET ASSETS, End of year	\$ 1,740,806	\$ 1,251,531	\$ 2,992,337	\$ 1,761,923	\$ 1,077,904	\$ 2,839,827

See auditors' report and accompanying notes to the financial statements

UNTOLD, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
Years Ended December 31, 2021 and 2020

	2021				2020			
	Program Services	Management & General	Fundraising	Total	Program Services	Management & General	Fundraising	Total
Salaries and benefits	\$ 238,723	\$ 169,771	\$ 460,385	\$ 868,879	\$ 236,905	\$ 148,758	\$ 584,725	\$ 970,388
Advertising and promotion	-	-	18,501	18,501	-	-	26,420	26,420
Computers and software	11,000	5,698	-	16,698	25	8	-	33
Cost of goods sold	-	1,458	-	1,458	-	4,553	-	4,553
Depreciation and amortization	-	49,017	-	49,017	-	30,838	-	30,838
Donor cultivation	-	-	6,342	6,342	-	-	4,038	4,038
Donor events	-	-	76,845	76,845	-	1,156	50,484	51,640
Dues and subscriptions	-	4,127	-	4,127	-	3,580	-	3,580
Furniture, equipment, and repairs	-	-	-	-	-	5,580	-	5,580
Grant - Untold Africa	3,710,360	-	-	3,710,360	2,676,430	-	-	2,676,430
Insurance	-	10,792	-	10,792	-	7,663	-	7,663
Miscellaneous	-	1,262	-	1,262	-	7,092	865	7,957
Office supplies	-	2,124	-	2,124	-	4,511	-	4,511
Printing, reproduction, and postage	-	210	12,605	12,815	-	320	12,040	12,360
Processing fees and bank charges	-	40,129	-	40,129	-	22,100	-	22,100
Professional fees	-	132,895	177,617	310,512	-	77,072	-	77,072
Professional development	24,337	34,976	-	59,313	36,163	20,560	-	56,723
Rent	-	65,539	-	65,539	-	58,516	-	58,516
Travel	53,945	-	7,606	61,551	78,917	-	18,799	97,716
Utilities and security	-	-	-	-	-	4,743	-	4,743
Total expenses by function	4,038,365	517,998	759,901	5,316,264	3,028,440	397,050	697,371	4,122,861
Less expenses included with revenues on the statements of activities:								
Cost of goods sold	-	(1,458)	-	(1,458)	-	(4,553)	-	(4,553)
Total expenses included in the expense section of the statements of activities	<u>\$ 4,038,365</u>	<u>\$ 516,540</u>	<u>\$ 759,901</u>	<u>\$ 5,314,806</u>	<u>\$ 3,028,440</u>	<u>\$ 392,497</u>	<u>\$ 697,371</u>	<u>\$ 4,118,308</u>
Percentage of total expenses	76.0%	9.7%	14.3%	100.0%	73.5%	9.6%	16.9%	100.0%

See auditors' report and accompanying notes to the financial statements

UNTOLD, INC.  
STATEMENTS OF CASH FLOWS  
Years Ended December 31, 2021 and 2020

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 152,510	\$ 1,064,405
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	49,017	30,838
Unrealized investment loss (gain)	7,420	(2,826)
Changes in operating assets and liabilities:		
Decrease in grants receivable	100,000	15,000
Decrease (increase) in other current assets	59,686	(56,385)
Decrease in inventory	1,458	4,553
Increase (decrease) in accounts payable	5,843	(11,051)
(Decrease) increase in other current liabilities	(1,372)	120
Net cash provided (used) by operating activities	374,562	1,044,654
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	-	(4,382)
Costs incurred for intangible asset	-	(70,000)
Purchase of investments	(981,303)	(15,361)
Proceeds from sales of investments	490,034	-
Net cash (used) provided by investing activities	(491,269)	(89,743)
 <b>NET (DECREASE) INCREASE IN CASH</b>	(116,707)	954,911
 <b>CASH, Beginning of year</b>	1,833,943	879,032
 <b>CASH, End of year</b>	\$ 1,717,236	\$ 1,833,943

See auditors' report and accompanying notes to the financial statements



UNTOLD, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Nature of Organization and Activities*

Untold, Inc. (the “Organization” and formerly known as CARE for AIDS, Inc.) is a not-for-profit organization that exists to embrace and equip people to live a life beyond AIDS. This is accomplished through grant making, advocacy and storytelling to increase US engagement with the AIDS epidemic in Africa. The Organization provides grants to an entity in Kenya named UNTOLD, which in turn grants to entities in Tanzania (UNTOLD Foundation) and Uganda (UNTOLD Initiative). Collectively, these African entities are referred to as “Untold Africa”. Untold Africa operates life-transforming centers in East African churches that meet the physical, spiritual, emotional, social, and economic needs of HIV-positive men and women. Clients participate in a nine-month program where they receive counseling, medical and nutritional support, vocational training, spiritual care, and more. Through this process, clients are equipped to live long, healthy, productive lives and are able to raise and educate their children. Other activities to accomplish the mission include community HIV education and testing. Through these individual and community interventions, stigma is decreased and economic productivity is increased. The Organization is supported primarily through donor contributions.

*Basis of Presentation*

The accompanying financial statements have been prepared in accordance with US generally accepted accounting principles (“US GAAP”), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature and will be met by actions of the Organization or with the passage of time. Net assets in this class include contributions and gifts for restricted purposes (such as a specific center or impact trip). Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. The Organization currently has no such funds held in perpetuity.

*Basis of Accounting*

The accompanying financial statements are presented on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

*Cash*

Cash includes all monies in banks, cash in a brokerage account, and deposits in transit. Accounts maintained by banks are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021 and 2020, deposits in excess of federally insured limits were approximately \$574,000 and \$1,319,000, respectively. Management believes it is not exposed to any significant credit risk on cash, although its balance has, at times, exceeded federally insured limits.

UNTOLD, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Promises to Give*

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received.

*Property and Equipment*

Items capitalized as property and equipment are stated at cost or, if donated, at fair market value on the date of donation. The Organization generally capitalizes and reports property and equipment acquisitions in excess of \$3,000. Expenditures for repairs and maintenance are charged to expense as incurred, and additions and improvements that significantly extend the lives of assets are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to five years. Items capitalized as intangible assets are recorded at cost incurred to place the asset into service. Amortization is computed using a double-declining balance method over the useful life of the asset. For the years ended December 31, 2021 and 2020, depreciation and amortization expense of \$49,017 and \$30,838 was recorded.

The Organization operates under a bring-your-own-device IT policy where employees provide their own computers. There is a \$1,000 per employee, once every five years reimbursement available for new computer purchases, but the reimbursement is expensed when paid.

*Support, Revenue, and Reclassifications*

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets are transferred to the Organization.

Gifts of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is satisfied, revenue with donor restrictions is reclassified to revenue without donor restrictions and reported in the statements of activities as reclassifications.

*Functional Expenses*

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Costs incurred are reported according to the function (program, management and general, and fundraising) which they benefit. Salaries and benefits are allocated to functions based on personnel time and responsibilities. Other costs are recorded directly according to their function when incurred.

*Donated Assets*

Donated marketable securities and other in kind donations are recorded as contributions at their estimated fair values at the date of donation. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

UNTOLD, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Income Taxes*

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and the Georgia Revenue and Taxation Code, though subject to tax on income unrelated to its exempt purpose, unless that income is specifically excluded by the Code. The Organization has not recognized any liability for unrecognized tax benefits, as it has no known uncertain tax positions that would subject them to any material income tax exposure.

*Use of Estimates*

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

*Revenue Recognition*

Contributions are recorded as support with or without donor restrictions when an unconditional promise to give is received, depending on the existence and/or nature of any donor restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

*Investments*

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position. Changes in fair value, along with interest and dividends, are reported as other income in the statements of activities. Purchases and sales of securities are reflected on a trade-date basis. See Note 11 for further discussion and determination of fair value.

*Contingencies*

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Organization but which will only be resolved when one or more future events occur or fail to occur. The Organization's management and its legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Organization or unasserted claims that may result in such proceedings, the Organization's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein. If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Organization's financial statements. If the assessment indicates that a potentially material loss contingency is not probable, but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed. Loss contingencies considered remote are generally not disclosed.

UNTOLD, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

**NOTE 2: REVENUE FROM CONTRACTS WITH CUSTOMERS**

The Organization has adopted Accounting Standards Update (ASU) No. 2014-09 - *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of the Organization’s financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

The disaggregation of revenue by type is depicted on the face of the statements of activities. No contract assets or contract liabilities (or changes thereto) were recorded for the periods ending December 31, 2021 or 2020. See Note 1, Significant Accounting Policies: Revenue and Revenue Recognition, for further information.

**NOTE 3: NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions, contributions, and releases were as follows:

	Balance December 31, 2020	Restricted Contributions	Releases	Balance December 31, 2021
Africa operations	\$ 975,701	\$ 4,067,988	\$ (3,889,046)	\$ 1,154,643
Impact trips	42,228	16,211	(10,526)	47,913
Innovation	59,975	-	(11,000)	48,975
<b>Total</b>	<b>\$ 1,077,904</b>	<b>\$ 4,084,199</b>	<b>\$ (3,910,572)</b>	<b>\$ 1,251,531</b>

	Balance December 31, 2019	Restricted Contributions	Releases	Balance December 31, 2020
Africa operations	\$ 405,543	\$ 3,258,802	\$ (2,688,644)	\$ 975,701
Impact trips	-	114,669	(72,441)	42,228
Innovation	-	130,000	(70,025)	59,975
<b>Total</b>	<b>\$ 405,543</b>	<b>\$ 3,503,471</b>	<b>\$ (2,831,110)</b>	<b>\$ 1,077,904</b>

**NOTE 4: GRANT EXPENSE - UNTOLD AFRICA**

Grant – Untold Africa expense represents cash and food sent to Africa for program operations. As described in Note 1, Untold Africa operated 87 and 70 program centers at December 31, 2021 and 2020, respectively. The attached supplemental Schedules of Grant Expenditures as Reported by Recipient provides detail of December 31, 2021 and 2020 Untold Africa’s expenditures. It also provides summarized reconciliation information that accounts for timing differences between grant expenditures reported in the financial statements.

UNTOLD, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

**NOTE 5: RETIREMENT BENEFITS**

The Organization provides retirement benefits through a SIMPLE IRA arrangement. Full-time employees are eligible for 3% matching employer contributions. In 2021 and 2020, the Organization incurred related expenses of \$17,398 and \$18,776, respectively.

**NOTE 6: AVAILABILITY AND LIQUIDITY**

	2021	2020
Financial assets at year-end:		
Cash	\$ 1,717,236	\$ 1,833,943
Investments	1,188,729	704,881
Grant and other receivables	-	100,000
Other current assets	30,701	90,387
Total financial assets	2,936,666	2,729,211
Less amounts not available to be used within one year for general expenditures:		
Deposits	(5,652)	(5,652)
Innovation projects	(48,975)	(59,975)
Food container in transit	-	(68,040)
	(54,627)	(133,667)
Financial assets available to meet general expenditures within one year	\$ 2,882,039	\$ 2,595,544

The Organization receives significant revenue restricted by donors and considers revenue restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. For the years ended December 31, 2021 and 2020, assets with donor restrictions of \$1,202,556 and \$949,889, respectively, were included in financial assets available to meet cash needs for general expenditures within one year.

The Organization regularly monitors liquidity required to meet its operating needs and other commitments. Board policies are in place to guard against the risk of financial jeopardy and require management to use multi-year planning. One policy states that, if unrestricted, undesignated net asset reserves drop below 90 days of operating expenses, five percent of gross revenues will be allocated to that reserve until the 90-day threshold is met. To achieve these targets, the entity forecasts its future cash flows and monitors its liquidity quarterly, and monitors its reserves annually. During the years ended December 31, 2021 and 2020, the level of liquidity and reserves was managed within the policy requirements.

In addition to financial assets available to meet general expenditures over the next 12 months, the Board requires management to operate with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures which are not funded by donor restricted resources with unrestricted contributions.

UNTOLD, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

**NOTE 7: PROPERTY AND EQUIPMENT**

Property and equipment consist of the following as of December 31:

	2021	2020
Furniture and fixtures	\$ 7,925	\$ 7,925
Leasehold improvements	14,182	14,182
Intangible assets	160,970	160,970
Total property and equipment	183,077	183,077
Less accumulated depreciation and amortization	(109,432)	(60,415)
Net property and equipment	\$ 73,645	\$ 122,662

The intangible assets consist of costs incurred to develop a mobile app and to produce a book co-authored by the Organization’s founders. The book was completed in May of 2019 and seeks to tell the story of the Organization and promote its mission.

**NOTE 8: OPERATING LEASES**

In April of 2018, the Organization entered into a 62-month operating lease agreement for office space. Rental expense under this agreement was \$61,651 and \$58,516 for the years ended December 31, 2021 and 2020, respectively.

Future minimum rental payments required under the lease in excess of one year are as follows:

Years Ending December 31,	
2022	\$ 39,794
2023	16,903
2024	-
2025	-
2026	-
Total	\$ 56,697

Further, the Organization entered into sublease agreements with other exempt organizations. For the years ended December 31, 2021 and 2020, sublease rental revenue was \$-0- and \$3,500, respectively, and is reported in other income in the statements of activities.

**NOTE 9: IN KIND CONTRIBUTIONS**

In kind contributions of \$65,318 and \$68,040 for the years ended December 31, 2021 and 2020, respectively, have been recognized in revenue and represented meals donated to the Organization. The food is distributed to program participants during the course of their time in the program. As of December 31, 2020, a corresponding amount was reported as a component of other current assets, as the food shipment had not yet been delivered as of December 31, 2020.

Several volunteers have made significant contributions of their time to the Organization’s mission. These services are not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

UNTOLD, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

**NOTE 10: GRANTS RECEIVABLE**

The Organization records grants receivable when awards are made and considered unconditional promises to give. There were no grants receivable at the end of 2021, and, for 2020, all grants receivable were collected in the subsequent year by the time the financials were available to be issued.

**NOTE 11: FAIR VALUE MEASUREMENTS**

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. US GAAP establishes a hierarchy of inputs to valuation of that price using three levels:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in inactive markets for identical assets or liabilities, or model-derived valuations which rely on significant observable inputs.

Level 3 - Valuation techniques that rely on significant unobservable inputs.

The following sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2021 and 2020:

	Balance	Fair Value Measurements Using		
	December 31, 2021	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Cash	\$ 1,717,236	\$ 1,717,236	\$ -	\$ -
Investments				
Money market funds	\$ 244,689	\$ 244,689	\$ -	\$ -
Exchange traded funds	730,294	730,294	-	-
Mutual funds	213,746	213,746	-	-
Total investments	\$ 1,188,729	\$ 1,188,729	\$ -	\$ -
	Balance	Fair Value Measurements Using		
	December 31, 2020	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Cash	\$ 1,833,943	\$ 1,833,943	\$ -	\$ -
Investments				
Money market funds	\$ -	\$ -	\$ -	\$ -
Exchange traded funds	574,520	574,520	-	-
Mutual funds	130,361	130,361	-	-
Total investments	\$ 704,881	\$ 704,881	\$ -	\$ -

UNTOLD, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
Years Ended December 31, 2021 and 2020

**NOTE 12: RECLASSIFICATIONS**

Certain prior year amounts have been reclassified to conform with current year presentation. Total changes in net assets were not affected.

**NOTE 13: RISKS AND UNCERTAINTIES**

*Pandemic*

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a “Public Health Emergency of International Concern”. The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on donors, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact financial condition or results of operations is uncertain.

**NOTE 14: RELATED PARTY TRANSACTIONS**

During 2021 and 2020, board members and officers of the Organization contributed approximately \$993,000 and \$733,000, respectively.

**NOTE 15: SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through November 10, 2022, which is the date the financial statements were available to be issued. Other than what follows, management is not aware of any other material subsequent events that require disclosure in the financial statements.

*Pending Legal Action*

Early in 2022, management learned about allegations of misconduct involving an employee of the Organization’s grantee, UNTOLD (located in Kenya and referred to as the “Grantee” hereafter). Upon learning of the claims from former and current employees of the Grantee, the Grantee launched an independent investigation and placed the employee on leave. In response, the employee initiated legal action against the Grantee and Justin Miller (an employee of Untold, Inc.). The Grantee is working toward a resolution out of court through a mediation process. As the sole grantor for the Grantee, Untold, Inc. will effectively assume all financial costs associated with this dispute, regardless of how resolution is achieved. These costs will be covered with net assets without any donor restriction. The ultimate outcome of the legal action cannot be determined, and an amount cannot be reasonably estimated at the time the financial statements were available to be issued. It is not anticipated that the resolution of this matter will have a material programmatic impact on the Grantee or Untold, Inc.



**SUPPLEMENTARY INFORMATION**



Mersereau, Lazenby & Rockas, LLC

*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION**

Board of Directors  
Untold, Inc.  
Atlanta, Georgia

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Untold, Inc. as of December 31, 2021 and 2020, and have issued our report thereon dated November 10, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole.

The Schedules of Grant Expenditures as Reported by Recipient, for the years ended December 31, 2021 and 2020, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Mersereau, Lazenby & Rockas, LLC*

Mersereau, Lazenby & Rockas, LLC  
Certified Public Accountants  
Suwanee, Georgia  
November 10, 2022

UNTOLD, INC.  
SCHEDULES OF GRANT EXPENDITURES AS REPORTED BY RECIPIENT  
Years Ended December 31, 2021 and 2020

	2021	2020
Salaries and wages*	\$ 1,443,255	\$ 1,251,381
Center set up costs	43,041	8,600
General and administrative	294,205	224,968
Direct food assistance costs	1,178,706	830,513
Empowerment projects	-	12,610
Graduation	31,579	11,527
Medicine	110,594	40,417
Professional fees	71,494	29,677
Repairs and maintenance	20,267	10,875
Seminars and teaching material	146,784	85,638
Staff development	81,937	141,261
Travel and impact trip	97,803	46,160
World Aids Day	8,282	6,396
Total local expenses	3,527,947	2,700,023
Recipient changes in cash and other accruals	182,413	(23,593)
Total grant expense - Care for Aids Africa	\$ 3,710,360	\$ 2,676,430

\*One of the grant recipient's grantees reported approximately \$40,000 of expenses included in this line for 2021 that relates to alleged embezzlement by a former employee. A subsequent investigation was conducted by the grant recipient with no further damages revealed, and the grantee has begun court action against the former employee. The outcome is still unknown as of November 10, 2022, which is the time the financial statements were available to be issued.