Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545 0047

2006

Open to Public Inspection

A For the 2006 calendar year, or tax year beginning , 2006, and ending ,

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Final return ☐ Amended return ☐ Application pending

Please use IRS label or print or type. See specific instructions

C
TOUCHSTONE YOUTH RESOURCE SERVICES, INC.
P.O. BOX 159231
NASHVILLE, TN 37215-9231

D Employer Identification Number: 62-1316818

E Telephone number: 615-386-0108

F Accounting method: ☐ Cash [X] Accrual ☐ Other (specify) ►

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations

H (a) Is this a group return for affiliates? ☐ Yes [X] No

H (b) If 'Yes,' enter number of affiliates ►

H (c) Are all affiliates included? ☐ Yes ☐ No (If 'No,' attach a list See instructions)

H (d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes [X] No

I Group Exemption Number ►

M Check ► ☐ if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

G Web site: ► N/A

J Organization type (check only one) ► [X] 501(c) 3 ◄ (insert no) ☐ 4947(a)(1) or ☐ 527

K Check here ► ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally **not** more than $25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ► 94,819.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances *(See the instructions.)*

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REVENUE	1	Contributions, gifts, grants, and similar amounts received:				
	a	Contributions to donor advised funds	1a			
	b	Direct public support (not included on line 1a)	1b	78,703.		
	c	Indirect public support (not included on line 1a)	1c			
	d	Government contributions (grants) (not included on line 1a)	1d			
	e	Total (add lines 1a through 1d) (cash $ 78,703. noncash $)			1e	78,703.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	15,333.
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	
	5	Dividends and interest from securities			5	
	6a	Gross rents	6a			
	b	Less. rental expenses	6b			
	c	Net rental income or (loss). Subtract line 6b from line 6a			6c	
	7	Other investment income (describe ►)			7	
	8a	Gross amount from sales of assets other than inventory	8a	(A) Securities: ; (B) Other:		
	b	Less cost or other basis and sales expenses	8b			
	c	Gain or (loss) (attach schedule)	8c			
	d	Net gain or (loss). Combine line 8c, columns (A) and (B)			8d	
	9	Special events and activities (attach schedule) If any amount is from **gaming**, check here ► ☐				
	a	Gross revenue (not including $ of contributions reported on line 1b)	9a			
	b	Less direct expenses other than fundraising expenses	9b			
	c	Net income or (loss) from special events. Subtract line 9b from line 9a			9c	
	10a	Gross sales of inventory, less returns and allowances	10a	783.		
	b	Less cost of goods sold	10b	289.		
	c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a STATEMENT 1			10c	494.
	11	Other revenue (from Part VII, line 103)			11	
	12	**Total revenue.** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11			12	94,530.
EXPENSES	13	Program services (from line 44, column (B))			13	66,558.
	14	Management and general (from line 44, column (C))			14	21,526.
	15	Fundraising (from line 44, column (D))			15	21,550.
	16	Payments to affiliates (attach schedule)			16	
	17	**Total expenses.** Add lines 16 and 44, column (A)			17	109,634.
NET ASSETS	18	Excess or (deficit) for the year. Subtract line 17 from line 12			18	-15,104.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	31,187.
	20	Other changes in net assets or fund balances (attach explanation)			20	
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20			21	16,083.

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Part II **Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach sch) (cash $ ____ non-cash $ ____) If this amount includes foreign grants, check here ► ☐	22a				
22b Other grants and allocations (att sch) (cash $ ____ non-cash $ ____) If this amount includes foreign grants, check here ► ☐	22b				
23 Specific assistance to individuals (attach schedule) ST 2	23	685.	685.		
24 Benefits paid to or for members (attach schedule)	24				
25a Compensation of current officers, directors, key employees, etc listed in Part V-A (attach sch) SEE STMT 3	25a	61,816.	38,636.	9,272.	13,908.
b Compensation of former officers, directors, key employees, etc listed in Part V-B (attach sch)	25b	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c	0.	0.	0.	0.
26 Salaries and wages of employees not included on lines 25a, b, and c	26	4,140.		4,140.	
27 Pension plan contributions not included on lines 25a, b, and c	27				
28 Employee benefits not included on lines 25a - 27	28	6,750.	4,219.	1,012.	1,519.
29 Payroll taxes	29	6,331.	3,735.	1,266.	1,330.
30 Professional fundraising fees	30				
31 Accounting fees	31	1,114.		1,114.	
32 Legal fees	32				
33 Supplies	33				
34 Telephone	34				
35 Postage and shipping	35	952.	562.	190.	200.
36 Occupancy	36	10,513.	6,203.	2,102.	2,208.
37 Equipment rental and maintenance	37				
38 Printing and publications	38	1,132.	668.	226.	238.
39 Travel	39	3,359.	3,359.		
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	3,377.	2,841.	261.	275.
43 Other expenses not covered above (itemize) a SEE STATEMENT 4	43a	9,465.	5,650.	1,943.	1,872.
b	43b				
c	43c				
d	43d				
e	43e				
f	43f				
g	43g				
44 **Total functional expenses** Add lines 22a through 43g (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	109,634.	66,558.	21,526.	21,550.

Joint Costs. Check ► ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in **(B)** Program services? ► ☐ **Yes** ☒ **No**

If 'Yes,' enter **(i)** the aggregate amount of these joint costs $ ____________; **(ii)** the amount allocated to Program services $ ____________; **(iii)** the amount allocated to Management and general $ ____________, and **(iv)** the amount allocated to Fundraising $

Part III Statement of Program Service Accomplishments

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization How the public perceives an organization in such cases may be determined by the information presented on its return Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

What is the organization's primary exempt purpose? ► MUSIC MINISTRY/COUNSELING All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a SEE STATEMENT 5 (Grants and allocations $) If this amount includes foreign grants, check here ► ☐	66,558.
b (Grants and allocations $) If this amount includes foreign grants, check here ► ☐	
c (Grants and allocations $) If this amount includes foreign grants, check here ► ☐	
d (Grants and allocations $) If this amount includes foreign grants, check here ► ☐	
e Other program services (Grants and allocations $) If this amount includes foreign grants, check here ► ☐	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ►	66,558.

Part IV Balance Sheets *(See the instructions.)*

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only*			(A) Beginning of year		(B) End of year
ASSETS					
45 Cash – non-interest-bearing			572.	45	3,269.
46 Savings and temporary cash investments				46	
47a Accounts receivable	47a				
b Less. allowance for doubtful accounts	47b			47c	
48a Pledges receivable	48a				
b Less. allowance for doubtful accounts	48b			48c	
49 Grants receivable				49	
50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			12,788.	50a	693.
b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)				50b	
51a Other notes and loans receivable (attach schedule)	51a				
b Less: allowance for doubtful accounts	51b			51c	
52 Inventories for sale or use.			5,611.	52	5,322.
53 Prepaid expenses and deferred charges				53	
54a Investments – publicly-traded securities ► ☐ Cost ☐ FMV				54a	
b Investments – other securities (attach sch) ► ☐ Cost ☐ FMV				54b	
55a Investments – land, buildings, & equipment. basis	55a				
b Less. accumulated depreciation (attach schedule)	55b			55c	
56 Investments – other (attach schedule)				56	
57a Land, buildings, and equipment. basis	57a	19,044.			
b Less accumulated depreciation (attach schedule) STATEMENT 6	57b	17,110.	2,901.	57c	1,934.
58 Other assets, including program-related investments (describe ► SEE STATEMENT 7)			9,315.	58	7,245.
59 **Total assets** (must equal line 74) Add lines 45 through 58			31,187.	59	18,463.
LIABILITIES					
60 Accounts payable and accrued expenses				60	2,380.
61 Grants payable				61	
62 Deferred revenue				62	
63 Loans from officers, directors, trustees, and key employees (attach schedule)				63	
64a Tax-exempt bond liabilities (attach schedule)				64a	
b Mortgages and other notes payable (attach schedule)				64b	
65 Other liabilities (describe ►)				65	
66 **Total liabilities.** Add lines 60 through 65			0.	66	2,380.
NET ASSETS OR FUND BALANCES					
Organizations that follow SFAS 117, check here ► ☐ and complete lines 67 through 69 and lines 73 and 74					
67 Unrestricted				67	
68 Temporarily restricted				68	
69 Permanently restricted				69	
Organizations that do not follow SFAS 117, check here ► ☒ and complete lines 70 through 74.					
70 Capital stock, trust principal, or current funds				70	
71 Paid-in or capital surplus, or land, building, and equipment fund				71	
72 Retained earnings, endowment, accumulated income, or other funds			31,187.	72	16,083.
73 **Total net assets or fund balances.** Add lines 67 through 69 **or** lines 70 through 72. (Column (A) **must** equal line 19 and column (B) **must** equal line 21)			31,187.	73	16,083.
74 **Total liabilities and net assets/fund balances.** Add lines 66 and 73			31,187.	74	18,463.

Part IV-A **Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	N/A
b	Amounts included on line a but not on Part I, line 12				
	1 Net unrealized gains on investments	b1			
	2 Donated services and use of facilities	b2			
	3 Recoveries of prior year grants	b3			
	4 Other (specify).	b4			
	Add lines b1 through b4			b	
c	Subtract line b from line a			c	
d	Amounts included on Part I, line 12, but not on line a:				
	1 Investment expenses not included on Part I, line 6b	d1			
	2 Other (specify).	d2			
	Add lines d1 and d2			d	
e	**Total revenue** (Part I, line 12) Add lines c and d ►			e	

Part IV-B **Reconciliation of Expenses per Audited Financial Statements with Expenses per Return**

a	Total expenses and losses per audited financial statements			a	N/A
b	Amounts included on line a but not on Part I, line 17.				
	1 Donated services and use of facilities	b1			
	2 Prior year adjustments reported on Part I, line 20	b2			
	3 Losses reported on Part I, line 20	b3			
	4 Other (specify).	b4			
	Add lines b1 through b4			b	
c	Subtract line b from line a			c	
d	Amounts included on Part I, line 17, but not on line a:				
	1 Investment expenses not included on Part I, line 6b	d1			
	2 Other (specify):	d2			
	Add lines d1 and d2			d	
e	**Total expenses** (Part I, line 17). Add lines c and d ►			e	

Part V-A **Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) *(See the instructions.)*

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
JIM WEBER 946 BATTLEFIELD NASHVILLE, TN 37205	SECRETARY/TREAS 40	29,862.	620.	0.
MELONY PUGH-WEBER 946 BATTLEFIELD NASHVILLE, TN 37204	PRESIDENT 40	30,689.	645.	0.
LINDSEY WILLIAMS 2916 MCNAIRY LN NASHVILLE, TN 37204	DIRECTOR 0	0.	0.	0.
GREG & CHERYL SENEFF 2905 SELENA DR NASHVILLE, TN 37211	DIRECTOR 0	0.	0.	0.

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

		Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business as board meetings ► 4			
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If 'Yes,' attach a statement that identifies the individuals and explains the relationship(s)	75b		X
c Do any officers, directors, trustees, or key employees listed in form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of 'related organization'	75c		X
If 'Yes,' attach a statement that includes the information described in the instructions.			
d Does the organization have a written conflict of interest policy?	75d	X	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits

(If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
NONE				

Part VI Other Information *(See the instructions.)*

		Yes	No
76 Did the organization make a change in its activities or methods of conducting activities? If 'Yes,' attach a detailed statement of each change	76		X
77 Were any changes made in the organizing or governing documents but not reported to the IRS?	77		X
If 'Yes,' attach a conformed copy of the changes.			
78a Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		X
b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	78b	N/A	
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement	79		X
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc, to any other exempt or nonexempt organization?	80a		X
b If 'Yes,' enter the name of the organization ► N/A and check whether it is ☐ exempt or ☐ nonexempt.			
81a Enter direct and indirect political expenditures (See line 81 instructions.) 81a 0.			
b Did the organization file **Form 1120-POL** for this year?	81b		X

BAA Form **990** (2006)

Part VI Other Information *(continued)*

			Yes	No
82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		82a		X
b If 'Yes,' you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b N/A			
83a Did the organization comply with the public inspection requirements for returns and exemption applications?		83a	X	
b Did the organization comply with the disclosure requirements relating to *quid pro quo* contributions?		83b	X	
84a Did the organization solicit any contributions or gifts that were not tax deductible?		84a		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		84b	N/A	
85 *501(c)(4), (5), or (6) organizations* **a** Were substantially all dues nondeductible by members?		85a	N/A	
b Did the organization make only in-house lobbying expenditures of $2,000 or less?		85b	N/A	
If 'Yes' was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year				
c Dues, assessments, and similar amounts from members	85c N/A			
d Section 162(e) lobbying and political expenditures	85d N/A			
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e N/A			
f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f N/A			
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		85g	N/A	
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		85h	N/A	
86 *501(c)(7) organizations.* Enter. **a** Initiation fees and capital contributions included on line 12	86a N/A			
b Gross receipts, included on line 12, for public use of club facilities	86b N/A			
87 *501(c)(12) organizations.* Enter **a** Gross income from members or shareholders	87a N/A			
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b N/A			
88 a At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX		88a		X
b At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Part XI ►		88b		X
89a *501(c)(3) organizations.* Enter. Amount of tax imposed on the organization during the year under: section 4911 ► 0. ; section 4912 ► 0. , section 4955 ► 0.				
b *501(c)(3) and 501(c)(4) organizations.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction		89b		X
c Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ►	0.			
d Enter Amount of tax on line 89c, above, reimbursed by the organization ►	0.			
e *All organizations* At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		89e		X
f *All organizations* Did the organization acquire a direct or indirect interest in any applicable insurance contract?		89f		X
g *For supporting organizations and sponsoring organizations maintaining donor advised funds.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		89g		X

90a List the states with which a copy of this return is filed ► NONE

b Number of employees employed in the pay period that includes March 12, 2006 (See instructions.) **90b** 0

91 a The books are in care of ► JIM WEBER Telephone number ► 615-386-0108

Located at ► 946 BATTLEFIELD, NASHVILLE TN ZIP + 4 ► 37204

		Yes	No
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b		X
If 'Yes,' enter the name of the foreign country ►			
See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts.			

Part VI **Other Information** *(continued)*

		Yes	No
c At any time during the calendar year, did the organization maintain an office outside of the United States? If 'Yes,' enter the name of the foreign country ►	91c		X

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* ***Form 1041*** – Check here N/A ► ☐
and enter the amount of tax-exempt interest received or accrued during the tax year ► 92 N/A

Part VII **Analysis of Income-Producing Activities** *(See the instructions.)*

Note: *Enter gross amounts unless otherwise indicated.*	Unrelated business income (A) Business code	(B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	(D) Amount	(E) Related or exempt function income
93 Program service revenue.					
a COUNSELING					12,483.
b HONORARIA					2,850.
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts					
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					494.
103 Other revenue. a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))					15,827.

105 **Total** (add line 104, columns (B), (D), and (E)) ► 15,827.

Note: *Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.*

Part VIII **Relationship of Activities to the Accomplishment of Exempt Purposes** *(See the instructions.)*

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	SEE STATEMENT 8

Part IX **Information Regarding Taxable Subsidiaries and Disregarded Entities** *(See the instructions.)*

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X **Information Regarding Transfers Associated with Personal Benefit Contracts** *(See the instructions.)*

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: *If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).*

Part XI **Information Regarding Transfers To and From Controlled Entities.** *Complete only if the organization is a controlling organization as defined in section 512(b)(13).*

	Yes	No
106 Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity		X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

	Yes	No
107 Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity		X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

	Yes	No
108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?		X

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

▶ Jim Weber 7-26-07
Signature of officer Date

▶ Jim Weber, Executive Director
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ CPA	Date 7/26/07	Check if self employed ▶ ☐	Preparer's SSN or PTIN (See General Instruction W) P00548652
Firm's name (or yours if self employed), address, and ZIP + 4 ▶ HIGGINBOTHAM CPA GROUP, PLLC 5105 MARYLAND WAY BRENTWOOD, TN 37027		EIN ▶ 01-0567329	Phone no ▶ (615) 377-3123

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information — (See separate instructions.)

► **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

OMB No 1545 0047

2006

Name of the organization	Employer identification number
TOUCHSTONE YOUTH RESOURCE SERVICES, INC.	62-1316818

Part I **Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**
(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over $50,000 ►	0			

Part II – A **Compensation of the Five Highest Paid Independent Contractors for Professional Services**
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ► 0		

Part II – B **Compensation of the Five Highest Paid Independent Contractors for Other Services**
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over $50,000 for other services ► 0		

Part III **Statements About Activities** (See instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ► $ N/A (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)	1		X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)* SEE STATEMENT 9			
a	Sale, exchange, or leasing of property?	2a	X	
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities?	2c		X
d	SEE FORM 990, PART V Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3a	Did the organization make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how the organization determines that recipients qualify to receive payments)	3a		X
b	Did the organization have a section 403(b) annuity plan for its employees?	3b		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' attach a detailed statement	3c		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		X
4a	Did the organization maintain any donor advised funds? If 'Yes,' complete lines 4b through 4g. If 'No,' complete lines 4f and 4g.	4a		X
b	Did the organization make any taxable distributions under section 4966?	4b	N/A	
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c	N/A	

d Enter the total number of donor advised funds owned at the end of the tax year ► N/A

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ► N/A

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ► 0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ► 0.

Part IV **Reason for Non-Private Foundation Status** (See instructions.)

I certify that the organization is not a private foundation because it is (Please check only **ONE** applicable box.)

5 [ ] A church, convention of churches, or association of churches Section 170(b)(1)(A)(i).

6 [ ] A school Section 170(b)(1)(A)(ii). (Also complete Part V.)

7 [ ] A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii)

8 [ ] A federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)

9 [ ] A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state** ► ,

10 [ ] An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)

11a [X] An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)

11b [ ] A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

12 [ ] An organization that normally receives **(1) more than 33-1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions — subject to certain exceptions, and **(2) no more than 33-1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)

13 [ ] An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization. ►

[ ] Type I [ ] Type II [ ] Type III-Functionally Integrated [ ] Type III-Other

Provide the following information about the supported organizations. (See instructions)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents? Yes	No	(e) Amount of support
Total				►	0.

14 [ ] An organization organized and operated to test for public safety. Section 509(a)(4) (See instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting.*

Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	62,441.	35,200.	35,431.	43,794.	176,866.
16 Membership fees received					0.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc, purpose	27,776.	32,741.	34,945.	19,756.	115,218.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					0.
19 Net income from unrelated business activities not included in line 18					0.
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0.
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					0.
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0.
23 Total of lines 15 through 22	90,217.	67,941.	70,376.	63,550.	292,084.
24 Line 23 minus line 17	62,441.	35,200.	35,431.	43,794.	176,866.
25 Enter 1% of line 23	902.	679.	704.	636.	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ►	26a	3,537.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ►	26b	95,989.
c Total support for section 509(a)(1) test. Enter line 24, column (e) ►	26c	176,866.
d Add: Amounts from column (e) for lines. 18 ____ 19 ____ 22 ____ 26b 95,989.	26d	95,989.
e Public support (line 26c minus line 26d total) ►	26e	80,877.
f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ►	26f	45.73 %

27 **Organizations described on line 12:** N/A

a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person ' **Do not file this list with your return.** Enter the sum of such amounts for each year.

(2005) ____________ (2004) ____________ (2003) ____________ (2002) ____________

b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year

(2005) ____________ (2004) ____________ (2003) ____________ (2002) ____________

c Add. Amounts from column (e) for lines. 15 ____ 16 ____ 17 ____ 20 ____ 21 ____	27c	
d Add Line 27a total ____ and line 27b total ____	27d	
e Public support (line 27c total minus line 27d total) ►	27e	
f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ► 27f ____		
g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ►	27g	%
h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ►	27h	%

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15.

Part V **Private School Questionnaire** (See instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV) N/A

		Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		

If 'Yes,' please describe, if 'No,' please explain (If you need more space, attach a separate statement)

		Yes	No
32 Does the organization maintain the following.			
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d		

If you answered 'No' to any of the above, please explain (If you need more space, attach a separate statement.)

		Yes	No
33 Does the organization discriminate by race in any way with respect to.			
a Students' rights or privileges?	33a		
b Admissions policies?	33b		
c Employment of faculty or administrative staff?	33c		
d Scholarships or other financial assistance?	33d		
e Educational policies?	33e		
f Use of facilities?	33f		
g Athletic programs?	33g		
h Other extracurricular activities?	33h		

If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement)

		Yes	No
34a Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b Has the organization's right to such aid ever been revoked or suspended?	34b		
If you answered 'Yes' to either 34a or b, please explain using an attached statement.			
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4 05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.	35		

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See instructions)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check ► **a** ☐ if the organization belongs to an affiliated group. Check ► **b** ☐ if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures (The term 'expenditures' means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table —	41		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

If the amount on line 40 is —	**The lobbying nontaxable amount is —**
Not over $500,000	20% of the amount on line 40
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4 -Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50.)

	Lobbying Expenditures During 4 -Year Averaging Period				
Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (add lines **c** through **h.**)			

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See instructions)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of.			
(i) Cash	51 a (i)		X
(ii) Other assets	a (ii)		X
b Other transactions			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b (i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b (ii)		X
(iii) Rental of facilities, equipment, or other assets	b (iii)		X
(iv) Reimbursement arrangements	b (iv)		X
(v) Loans or loan guarantees	b (v)		X
(vi) Performance of services or membership or fundraising solicitations	b (vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

d If the answer to any of the above is 'Yes,' complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ► ☐ Yes ☒ No

b If 'Yes,' complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

STATEMENT 1
FORM 990, PART I, LINE 10
GROSS PROFIT (LOSS) FROM SALES OF INVENTORY

	$ 783.
GROSS SALES	$ 783.
LESS RETURNS & ALLOWANCES	0.
NET SALES	$ 783.
LESS COST OF GOODS SOLD	289.
GROSS PROFIT FROM SALES OF INVENTORY	$ 494.

STATEMENT 2
FORM 990, PART II, LINE 23
SPECIFIC ASSISTANCE TO INDIVIDUALS

DIRECT CASH ASSISTANCE	$ 685.
TOTAL	$ 685.

STATEMENT 3
FORM 990, PART II, LINE 25A
COMPENSATION OF OFFICERS, DIRECTORS, ETC.

COMPENSATION RECEIVED

NAME	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
JIM WEBER	29,862.	18,664.	4,479.	6,719.
MELONY PUGH-WEBER	30,689.	19,181.	4,603.	6,905.
TOTAL	$ 60,551.	$ 37,845.	$ 9,082.	$ 13,624.

EMPLOYEE BENEFIT PLAN CONTRIBUTION

NAME	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
JIM WEBER	620.	388.	93.	139.
MELONY PUGH-WEBER	645.	403.	97.	145.
TOTAL	$ 1,265.	$ 791.	$ 190.	$ 284.

EXPENSE ACCT. & OTHER ALLOWANCES

NAME	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
JIM WEBER	0.	0.	0.	0.
MELONY PUGH-WEBER	0.	0.	0.	0.
TOTAL	$ 0.	$ 0.	$ 0.	$ 0.

STATEMENT 4
FORM 990, PART II, LINE 43
OTHER EXPENSES

	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
ADVERTISING	408.	408.		
BANK & FINANCE CHARGES	373.		373.	
BOOKS & SUBSCRIPTIONS	412.	412.		
CAMP SUPPLIES	227.	227.		
CONTINUING EDUCATION	18.	18.		
FUNDRAISING COSTS	325.			325.
LICENSES & FEES	170.		170.	
MEALS & ENTERTAINMENT	1,158.	724.	174.	260.
MUSIC SUPPLIES	222.	222.		
OFFICE EXPENSE	3,334.	1,967.	667.	700.
PROFESSIONAL FEES	2,719.	1,604.	544.	571.
REGISTRATION FEES	75.	44.	15.	16.
SEMINAR SUPPLIES	24.	24.		
TOTAL	$ 9,465.	$ 5,650.	$ 1,943.	$ 1,872.

STATEMENT 5
FORM 990, PART III, LINE A
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

DESCRIPTION	GRANTS AND ALLOCATIONS	PROGRAM SERVICE EXPENSES
TO PROVIDE PASTORAL COUNSELING AND ONE-ON-ONE SUPPORT TO YOUTH IN NASHVILLE AND AT VARIOUS CHURCH EVENTS. 45 INDIVIDUALS WERE COUNSELED, PLUS 150 STUDENTS PARTICIPATED IN SMALL GROUPS. INCLUDES FOREIGN GRANTS: NO		33,279.
TO SPEAK, TEACH, AND PERFORM WHOLESOME CONTEMPORARY CHRISTIAN MUSIC IN CHURCH AND NON-CHURCH SETTINGS, WITH THE PURPOSE OF EVANGELISM, ENCOURAGEMENT, & CHALLENGE TO YOUTH FOR FURTHER COMMITMENT. PARTICIPATED IN 25 SPEAKING & MUSIC MINISTRY ENGAGEMENTS DURING 2006. INCLUDES FOREIGN GRANTS: NO		33,279.
	$ 0.	$ 66,558.

STATEMENT 6
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE
MISCELLANEOUS	$ 19,044.	$ 17,110.	$ 1,934.
TOTAL	$ 19,044.	$ 17,110.	$ 1,934.

STATEMENT 7
FORM 990, PART IV, LINE 58
OTHER ASSETS

NET INTANGIBLE ASSETS	7,245.
TOTAL	$ 7,245.

STATEMENT 8
FORM 990, PART VIII
RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE #	EXPLANATION OF ACTIVITIES
93A	COUNSELING FEES FOR SERVICES THAT ARE A CRUCIAL PART OF THE MINISTRY'S PROGRAM SERVICES.
102	SALE OF TAPES AND CDS TO YOUTHS WHO ARE PARTICIPATING IN EVENTS REINFORCE THE MESSAGE AND ENCOURAGE YOUTH IN DEALING WITH PROBLEMS DAY-TO-DAY.
93B	HONORARIA FEES FOR CONCERTS/SPEAKING ENGAGEMENTS THAT ARE A CRUCIAL PART OF THE MINISTRY'S PROGRAM SERVICES.

STATEMENT 9
SCHEDULE A, PART III, LINE 2
TRANSACTIONS WITH TRUSTEES, DIRECTORS, ETC.

THE ORGANIZATION RENTS OFFICE SPACE AT FAIR RENTAL VALUE FROM JIM & MELONY WEBER, WHO ARE OFFICERS OF THE ORGANIZATION.

COMPUTATION OF COST OF GOODS SOLD (FORM 990)

1. INVENTORY AT START OF YEAR	5,611.
2. PURCHASES	0.
3. COST OF LABOR	0.
4. ADDITIONAL 263A COSTS	0.
5. OTHER COSTS	0.
6. TOTAL (ADD LINES 1 THROUGH 5)	5,611.
7. INVENTORY AT END OF YEAR	5,322.
8. COST OF GOODS SOLD (SUBTRACT LINE 7 FROM LINE 6)	289.

EXCESS CONTRIBUTORS
SCHEDULE A, PART IV-A, LINE 26B

PROJECTED SUPPORT SCHEDULE FOR 2007

THIS WORKSHEET PROJECTS IF THE ORGANZIATION WILL MEET THE SUPPORT TEST FOR THE TAX YEAR 2007 BASED ON THE DATA ENTERED IN SCREEN 55 FOR THE COLUMN 2006

SUPPORT ITEMS	2006 (A)	2005 (B)	2004 (C)	2003 (D)	TOTAL (E)
15. GIFTS, GRANTS, AND CONTRIBUTIONS	78,703.	62,441.	35,200.	35,431.	211,775.
16. MEMBERSHIP FEES RECEIVED					0.
17. GROSS RECEIPTS FROM ADMISSIONS, MERCHANDISE SOLD OR SERVICES PERFORMED, OR FURNISHING OF FACILITIES IN ANY ACTIVITY THAT IS RELATED TO THE ORGANIZATION'S CHARITABLE PURPOSE	16,106.	27,776.	32,741.	34,945.	111,568.
18. GROSS INCOME FROM INTEREST, DIVIDENDS, SAMOUNT RECEIVED FROM PAYMENTS ON SECURITIES LOANS, RENTS, ROYALTIES, AND UNRELATED BUSINESS TAXABLE INCOME FROM BUSINESSES ACQUIRED BY THE ORGANIZATION AFTER 6/30/1975					0.
19. NET INCOME FROM UNRELATED BUSINESS ACTIVITIES NOT INCLUDED IN LINE 18					0.
20. TAX REVENUES LEVIED FOR THE ORGANIZATION'S BENEFIT AND EITHER PAID TO IT OR EXPENDED ON ITS BEHALF					0.
21. THE VALUE OF SERVICES OR FACILITIES FURISHED TO THE					0.

PROJECTED SUPPORT SCHEDULE FOR 2007 (CONTINUED)

THIS WORKSHEET PROJECTS IF THE ORGANZIATION WILL MEET THE SUPPORT TEST FOR THE TAX YEAR 2007 BASED ON THE DATA ENTERED IN SCREEN 55 FOR THE COLUMN 2006 .

ORGANIZATION BY A GOVERNMENTAL UNIT WITHOUT CHARGE. DO NOT INCLUDE THE VALUE OF SERVICES OR FACILITIES GENERALLY FURNISHED TO THE PUBLIC WITHOUT CHARGE					
22. OTHER INCOME. DO NOT INCLUDE GAIN (OR LOSS) FROM SALE OF CAPITAL ASSETS					0.
23. TOTAL OF LINES 15 THROUGH 22	94,809.	90,217.	67,941.	70,376.	323,343.
24. LINE 23 MINUS LINE 17	78,703.	62,441.	35,200.	35,431.	211,775.
25. ENTER 1% OF LINE 23	948.	902.	679.	704.	

ORGANIZATIONS DESCRIBED ON LINES 10 OR 11:

26A. 2% OF AMOUNT IN COLUMN (E), LINE 24	4,236.
26B. TOTAL OF ALL INDIVIDUAL CONTRIBUTIONS THAT EXCEED THE LINE 26A AMOUNT	110,442.
26C. TOTAL SUPPORT FOR SECTION 509(A)(1) TEST (LINE 24, COLUMN (E))	211,775.
26D. ADD THE AMOUNTS FROM COLUMN (E) FOR LINES 18, 19, 22, AND 26B	110,442.
26E. PUBLIC SUPPORT (LINE 26C MINUS LINE 26D)	101,333.
26F. PUBLIC SUPPORT PERCENTAGE (LINE 26E DIVIDED BY LINE 26C)	**47.85%**

DEPRECIATION WORKSHEET
FORM 990-PF, PART I
ALLOCATED DEPRECIATION

DESCRIPTION	DATE ACQUIRED	COST BASIS	PRIOR YEAR DEPR	METHOD	RATE	LIFE	CURRENT YEAR DEPR	NET INVEST INCOME	ADJUSTED NET INCOME
SOFA	8/13/99	430	392	S/L		7	38	0	0
MIC MIXER	4/11/00	90	75	S/L		7	13	0	0
MIXER	8/28/00	275	208	S/L		7	39	0	0
MIC STAND	9/02/00	50	37	S/L		7	7	0	0
TUBE MIC	9/07/00	600	459	S/L		7	86	0	0
MIC & COMPRESSOR	11/20/00	367	264	S/L		7	52	0	0
YAMAHA E GUITAR	8/01/01	221	144	S/L	0.1428		32	0	0
PEAVY GUITAR AMP	8/03/01	95	63	S/L	0.1428		14	0	0
J-STATION	10/03/01	177	113	S/L	0.1428		25	0	0
HARD DRIVE	4/29/02	268	222	200DB	0.1152		31	0	0
USB AUDIO INTERFACE	9/25/02	270	223	200DB	0.1152		31	0	0
COMPAQ COMPUTER	9/25/02	864	715	200DB	0.1152		100	0	0
CD DUPLICATOR	5/30/03	1,431	1,019	200DB	0.1152		165	0	0
HP PAVILION 5300 NOTEBOOK	6/20/03	1,705	1,214	200DB	0.1152		196	0	0
DIGITAL CAMERA & ACCESSOR	8/21/03	492	349	200DB	0.1152		57	0	0
GUITAR AMP	7/26/04	303	117	200DB	0.1749		53	0	0
MP3 PLAYER	7/26/04	260	135	200DB	0.1920		50	0	0
ELEC EXPR EQUIP	6/21/05	490	98	200DB	0.3200		157	0	0
COMPUTER	7/29/05	450	90	200DB	0.3200		144	0	0
CIVIL VIDEO	6/30/05	10,350	1,035	S/L		5	2,070	0	0
HARD DRIVES	12/15/06	340		200DB	0.0500		17	0	0

TOUCHSTONE YOUTH RESOURCE SERVICES, INC. 62-1316818

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS PCT.	CUR 179 BONUS	SPECIAL DEPR ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC BAL DEPR	SALVAG /BASIS REDUCT	DEPR BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
	FORM 990/990-PF															
1	DESK	8/01/87		221							221	221	S/L	7		0
2	PHONE	6/06/88		130							130	130	S/L	7		0
3	GUITAR CASE & LUGGAGE	8/01/88		210							210	210	S/L	7		0
4	MISC EQ	7/01/90		749							749	749	S/L	7		0
5	FAX MACHINE	9/30/91		429							429	429	S/L	5		0
6	LUGGAGE	7/01/93		159							159	159	S/L	5		0
7	OFFICE FURNITURE	7/01/94		1,434							1,434	1,434	S/L	7		0
8	LUGGAGE	7/01/94		162							162	162	S/L	5		0
9	TUNER	7/01/94		125							125	125	S/L	5		0
10	MUSIC EQ	7/01/94		167							167	167	S/L	5		0
15	MISC FURN	6/01/95		57							57	57	S/L	7		0
16	850 MG HD	10/17/95		230							230	230	S/L	5		0
17	SOFTWARE OFFICE PRO	11/20/95		290							290	290	S/L	3		0
18	VIDEO MONITOR	1/16/96		240							240	240	S/L	7		0
19	LAPTOP COMPUTER	5/23/96		2,766							2,766	2,766	S/L	5		0
20	COMPUTER ACCESSORIES	5/24/96		100							100	100	S/L	5		0
21	MISC EQUIP	6/08/96		128							128	128	S/L	5		0
22	MOTHER BOARD	7/24/96		123							123	123	S/L	5		0
23	PRINTER	4/21/97		152							152	152	S/L	5		0
24	SCANNER	7/10/97		189							189	189	S/L	5		0
25	MISC EQUIPMENT	8/25/97		104							104	104	S/L	5		0
26	COMPUTER DRIVE	8/27/97		325							325	325	S/L	5		0
27	COMPUTER EQUIP	9/22/97		143							143	143	S/L	5		0
28	SCANNER	6/19/97		166							166	166	S/L	5		0
29	SOFA	8/13/99		430							430	392	S/L	7		38

TOUCHSTONE YOUTH RESOURCE SERVICES, INC. 62-1316818

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS PCT	CUR 179 BONUS	SPECIAL DEPR ALLOW	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC BAL DEPR	SALVAG /BASIS REDUCT	DEPR BASIS	PRIOR DEPR	METHOD	LIFE	RATE	CURRENT DEPR
30	COMPUTER/MONITOR	9/14/98		887							887	887	S/L	5		0
32	CDR DRIVE	3/29/00		180							180	180	S/L	5		0
33	MIC MIXER	4/11/00		90							90	75	S/L	7		13
34	MIXER	8/28/00		275							275	208	S/L	7		39
35	MIC STAND	9/02/00		50							50	37	S/L	7		7
36	TUBE MIC	9/07/00		600							600	459	S/L	7		86
37	MIC & COMPRESSOR	11/20/00		367							367	264	S/L	7		52
38	YAMAHA E GUITAR	8/01/01		221							221	144	S/L HY	7	14280	32
39	PEAVY GUITAR AMP	8/03/01		95							95	63	S/L HY	7	14280	14
40	J-STATION	10/03/01		177							177	113	S/L HY	7	14280	25
41	HARD DRIVE	4/29/02		268							268	222	200DB HY	5	11520	31
42	USB AUDIO INTERFACE	9/25/02		270							270	223	200DB HY	5	11520	31
43	COMPAQ COMPUTER	9/25/02		864							864	715	200DB HY	5	11520	100
	TOTAL			13,573		0	0	0	0	0	13,573	12,781				468
	AMORTIZATION															
52	CIVIL VIDEO	6/30/05		10,350							10,350	1,035	S/L	5		2,070
	TOTAL AMORTIZATION			10,350		0	0	0	0	0	10,350	1,035				2,070
	MACHINERY AND EQUIPMENT															
45	CD DUPLICATOR	5/30/03		1,431							1,431	1,019	200DB HY	5	11520	165
46	HP PAVILION 5300 NOTEBOOK	6/20/03		1,705							1,705	1,214	200DB HY	5	11520	196
47	DIGITAL CAMERA & ACCESSOR	8/21/03		492							492	349	200DB HY	5	11520	57
48	GUITAR AMP	7/26/04		303							303	117	200DB HY	7	17490	53
49	MP3 PLAYER	7/26/04		260							260	135	200DB HY	5	19200	50

2006 FEDERAL BOOK DEPRECIATION SCHEDULE

TOUCHSTONE YOUTH RESOURCE SERVICES, INC. 62-1316818

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
50	ELEC EXPR EQUIP	6/21/05		490							490	98	200DB HY	5	32000	157
51	COMPUTER	7/29/05		450							450	90	200DB HY	5	32000	144
53	HARD DRIVES	12/15/06		340							340		200DB MQ	5	05000	17
	TOTAL MACHINERY AND EQUIPME			5,471		0	0	0	0	0	5,471	3,022				839
	TOTAL DEPRECIATION			19,044		0	0	0	0	0	19,044	15,803				1,307

FORM 990/990-PF, COGS

AMORTIZATION

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
11	MASTERS	7/01/89		10,185							10,185	10,185	S/L	5		0
12	MASTERS	7/01/93		3,421							3,421	3,421	S/L	5		0
13	MASTERS	7/01/94		4,900							4,900	4,900	S/L	5		0
14	MASTERS	7/01/94		9,166							9,166	9,166	S/L	5		0
31	MASTERS	4/01/98		4,639							4,639	4,639	S/L	5		0
44	MANY MOUNTAINS ALBUM MAST	4/29/02		4,355							4,355	4,355	S/L	3		0
	TOTAL AMORTIZATION			36,666		0	0	0	0	0	36,666	36,666				0
	TOTAL DEPRECIATION			0		0	0	0	0	0	0	0				0
	GRAND TOTAL AMORTIZATION			47,016		0	0	0	0	0	47,016	37,701				2,070
	GRAND TOTAL DEPRECIATION			19,044		0	0	0	0	0	19,044	15,803				1,307