



FINANCIAL STATEMENTS

**FOR THE YEARS ENDED
DECEMBER 31, 2020 AND 2019**

THRIVE DC
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

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Independent Auditor's Report

To the Board of Directors of
Thrive DC

We have audited the accompanying financial statements of Thrive DC (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thrive DC as of December 31, 2020 and 2019, 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.

Alta CPA Group, LLC

June 18, 2021

THRIVE DC
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 782,181	\$ 107,284
Grants Receivable	228,704	149,527
Prepaid Expenses	<u>6,258</u>	<u>2,198</u>
Total Current Assets	1,017,143	259,009
Fixed Assets:		
Leasehold Improvements	227,086	144,842
Furniture and Equipment	45,751	38,071
Vehicles	23,094	23,094
Less: Accumulated Depreciation	<u>(181,717)</u>	<u>(176,257)</u>
Net Fixed Assets	114,214	29,750
Other Assets:		
Security Deposit	<u>5,000</u>	<u>5,000</u>
Total Other Assets	<u>5,000</u>	<u>5,000</u>
Total Assets	<u>\$ 1,136,357</u>	<u>\$ 293,759</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 19,934	\$ 63,919
Accrued Payroll	20,188	32,811
Payroll Protection Plan Note Payable	141,200	-
EIDL Note Payable, Current Portion	1,745	-
Line of Credit	<u>-</u>	<u>49,839</u>
Total Current Liabilities	183,067	146,569
EIDL Note Payable, Net of Current Portion	<u>148,155</u>	<u>-</u>
Total Liabilities	331,222	146,569
Net Assets:		
Without Donor Restrictions	754,385	55,514
With Donor Restrictions	<u>50,750</u>	<u>91,676</u>
Total Net Assets	<u>805,135</u>	<u>147,190</u>
Total Liabilities and Net Assets	<u>\$ 1,136,357</u>	<u>\$ 293,759</u>

See auditor's report and accompanying notes to financial statements.

THRIVE DC
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Individual Contributions	\$ 793,329	\$ -	\$ 793,329
Community Organization Contributions	80,015	-	80,015
Business Contributions	83,446	-	83,446
Foundation Grants	280,159	125,000	405,159
Government Grants	374,571	15,500	390,071
Interest Income	424	-	424
SBA Economic Injury Disaster Loan Forgiveness	10,000	-	10,000
Inkind Donations	<u>1,621,877</u>	<u>-</u>	<u>1,621,877</u>
Total Revenue	<u>3,243,821</u>	<u>140,500</u>	<u>3,384,321</u>
Net Assets Released from Restrictions	<u>181,426</u>	<u>(181,426)</u>	<u>-</u>
Total Revenue	<u>3,425,247</u>	<u>(40,926)</u>	<u>3,384,321</u>
EXPENSES			
Program Services:			
Daily Bread/Daily Needs	1,986,004	-	1,986,004
Dinner Program	24,775	-	24,775
Links	69,946	-	69,946
Many Hands	49,057	-	49,057
Public Education	70,614	-	70,614
Workforce Development	79,020	-	79,020
Re-Entry Program	147,818	-	147,818
Victim Support Services	<u>81,768</u>	<u>-</u>	<u>81,768</u>
Total Program Services	<u>2,509,002</u>	<u>-</u>	<u>2,509,002</u>
Support Services:			
Management and General	76,250	-	76,250
Fundraising	<u>141,124</u>	<u>-</u>	<u>141,124</u>
Total Support Services	<u>217,374</u>	<u>-</u>	<u>217,374</u>
Total Expenses	<u>2,726,376</u>	<u>-</u>	<u>2,726,376</u>
Change in Net Assets	698,871	(40,926)	657,945
Net Assets at Beginning of Year	<u>55,514</u>	<u>91,676</u>	<u>147,190</u>
Net Assets at End of Year	<u>\$ 754,385</u>	<u>\$ 50,750</u>	<u>\$ 805,135</u>

See auditor's report and accompanying notes to financial statements.

THRIVE DC
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Individual Contributions	\$ 357,795	\$ 49,883	\$ 407,678
Community Organization Contributions	41,683	-	41,683
Business Contributions	70,732	-	70,732
Foundation Grants	258,000	40,000	298,000
Government Grants	324,651	7,500	332,151
Interest Income	365	-	365
Other Income	640	-	640
Inkind Donations	1,617,745	-	1,617,745
Total Revenue	<u>2,671,611</u>	<u>97,383</u>	<u>2,768,994</u>
Net Assets Released from Restrictions	<u>86,973</u>	<u>(86,973)</u>	<u>-</u>
Total Revenue	2,758,584	10,410	2,768,994
EXPENSES			
Program Services:			
Daily Bread/Daily Needs	1,859,988	-	1,859,988
Dinner Program	18,399	-	18,399
Links	47,461	-	47,461
Many Hands	82,626	-	82,626
Public Education	122,172	-	122,172
Workforce Development	160,485	-	160,485
Re-Entry Program	167,113	-	167,113
Victim Support Services	91,405	-	91,405
Total Program Services	<u>2,549,649</u>	<u>-</u>	<u>2,549,649</u>
Support Services:			
Management and General	78,689	-	78,689
Fundraising	189,106	-	189,106
Total Support Services	<u>267,795</u>	<u>-</u>	<u>267,795</u>
Total Expenses	<u>2,817,444</u>	<u>-</u>	<u>2,817,444</u>
Change in Net Assets	(58,860)	10,410	(48,450)
Net Assets at Beginning of Year	<u>114,374</u>	<u>81,266</u>	<u>195,640</u>
Net Assets at End of Year	<u>\$ 55,514</u>	<u>\$ 91,676</u>	<u>\$ 147,190</u>

See auditor's report and accompanying notes to financial statements.

THRIVE DC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services								Support Services			Total Expenses	
	Daily Bread/ Daily Needs	Dinner Program	Links	Many Hands	Public Education	Workforce Development	Re-Entry Program	Victim Support Services	Total Program Services	Management and General	Fundraising		Total Support Services
Personnel	\$ 127,500	\$ 15,091	\$ 41,110	\$ 29,573	\$ 42,725	\$ 34,372	\$ 85,708	\$ 50,437	\$ 426,516	\$ 23,382	\$ 80,601	\$ 103,983	\$ 530,499
Trainee Wages and Stipends	-	-	-	-	-	18,401	3,707	-	22,108	-	227	227	22,335
Fringe Benefits	25,246	3,053	7,759	5,593	7,957	6,804	16,704	9,718	82,834	7,028	15,594	22,622	105,456
Advertising	-	-	-	-	-	-	-	-	-	30	-	30	30
Client Assistance	20,565	-	116	-	-	1,154	1,185	13	23,033	4	-	4	23,037
Client Transportation Assistance	868	-	-	-	-	3,205	365	-	4,438	-	-	-	4,438
Depreciation	1,217	109	328	289	246	295	677	409	3,570	1,202	688	1,890	5,460
Food/Groceries	110,600	-	-	-	-	-	-	-	110,600	-	-	-	110,600
Food and Supplies - Inkind	1,621,877	-	-	-	-	-	-	-	1,621,877	-	-	-	1,621,877
Insurance	3,387	415	1,059	784	1,137	913	2,200	1,276	11,171	468	2,172	2,640	13,811
Kitchen Supplies	16,737	-	-	-	-	-	-	-	16,737	-	-	-	16,737
Maintenance	3,902	35	79	63	87	55	180	112	4,513	1,070	184	1,254	5,767
Office Supplies	2,973	313	887	1,495	1,160	723	1,901	1,073	10,525	8,463	10,677	19,140	29,665
Professional Fees and Contractual Services	18,509	2,310	8,514	4,159	6,038	4,874	12,224	7,128	63,756	23,035	12,468	35,503	99,259
Program Supplies	3,534	-	658	-	-	109	3,383	275	7,959	1,007	-	1,007	8,966
Rent	23,827	2,849	7,753	5,513	8,010	6,686	16,086	9,284	80,008	7,453	15,131	22,584	102,592
Subscriptions and Dues	469	39	109	102	98	49	249	157	1,272	685	326	1,011	2,283
Telephone and Internet	4,793	561	1,574	1,092	2,970	1,380	3,249	1,886	17,505	1,708	3,056	4,764	22,269
Volunteer and Donor Cultivation	-	-	-	394	186	-	-	-	580	715	-	715	1,295
Total Functional Expenses	\$ 1,986,004	\$ 24,775	\$ 69,946	\$ 49,057	\$ 70,614	\$ 79,020	\$ 147,818	\$ 81,768	\$ 2,509,002	\$ 76,250	\$ 141,124	\$ 217,374	\$ 2,726,376

See auditor's report and accompanying notes to financial statements.

THRIVE DC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Program Services									Support Services			Total Expenses
	Daily Bread/ Daily Needs	Dinner Program	Links	Many Hands	Public Education	Workforce Development	Re-Entry Program	Victim Support Services	Total Program Services	Management and General	Fundraising	Total Support Services	
Personnel	\$ 111,809	\$ 12,016	\$ 31,447	\$ 54,743	\$ 80,160	\$ 67,347	\$ 84,881	\$ 54,477	\$ 496,880	\$ 11,657	\$ 120,242	\$ 131,899	\$ 628,779
Trainee Wages and Stipends	9	-	-	-	-	44,133	21,674	10,226	76,042	-	936	936	76,978
Fringe Benefits	20,375	2,379	5,689	10,179	14,077	12,256	16,203	-	81,158	6,289	22,636	28,925	110,083
Advertising	-	-	-	-	-	-	-	-	-	1,575	120	1,695	1,695
Client Assistance	22,376	-	87	20	-	4,915	1,763	20	29,181	20	-	20	29,201
Client Transportation Assistance	48	-	540	26	-	9,244	4,788	115	14,761	2,050	-	2,050	16,811
Depreciation	378	74	70	185	199	82	253	138	1,379	326	349	675	2,054
Food/Groceries	34,658	-	-	-	-	-	-	-	34,658	20	-	20	34,678
Food and Supplies - Inkind	1,608,405	-	-	-	-	-	-	-	1,608,405	-	-	-	1,608,405
Insurance	3,663	392	975	1,748	2,616	1,941	2,781	1,761	15,877	1,550	3,957	5,507	21,384
Kitchen Supplies	20,568	-	-	-	-	-	-	-	20,568	-	-	-	20,568
Maintenance	5,041	14	52	71	125	30	114	59	5,506	1,464	160	1,624	7,130
Office Supplies	2,624	254	727	1,123	1,935	1,512	2,498	1,338	12,011	7,465	6,954	14,419	26,430
Professional Fees and Contractual Services	9,484	1,233	2,383	4,989	7,988	6,792	7,355	4,919	45,143	30,944	11,069	42,013	87,156
Program Supplies	1,731	-	200	-	152	240	1,160	441	3,924	-	-	-	3,924
Rent	14,623	1,565	4,118	7,129	10,696	9,111	20,310	15,757	83,309	6,955	15,861	22,816	106,125
Subscriptions and Dues	-	-	-	-	-	-	-	-	-	1,263	11	1,274	1,274
Telephone and Internet	4,196	472	1,173	2,250	4,224	2,882	3,333	2,154	20,684	6,054	5,942	11,996	32,680
Volunteer and Donor Cultivation	-	-	-	163	-	-	-	-	163	1,057	869	1,926	2,089
Total Functional Expenses	\$ 1,859,988	\$ 18,399	\$ 47,461	\$ 82,626	\$ 122,172	\$ 160,485	\$ 167,113	\$ 91,405	\$ 2,549,649	\$ 78,689	\$ 189,106	\$ 267,795	\$ 2,817,444

See auditor's report and accompanying notes to financial statements.

THRIVE DC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 657,945	\$ (48,450)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	5,460	2,054
(Increase) Decrease in:		
Accounts Receivable	(79,177)	(22,743)
Prepaid Expenses	(4,060)	2,643
Increase (Decrease) in:		
Accounts Payable	(43,985)	34,004
Accrued Payroll	<u>(12,623)</u>	<u>(16,580)</u>
 Net Cash Provided (Used) by Operating Activities	 523,560	 (49,072)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Equipment and Leasehold Improvements	<u>(89,924)</u>	<u>(6,611)</u>
 Net Cash Used by Investing Activities	 (89,924)	 (6,611)
CASH FLOWS FROM FINANCING ACTIVITIES		
Draws on Line of Credit	-	24,839
Payments on Line of Credit	(49,839)	-
Payroll Protection Plan Loan Proceeds	141,200	-
Economic Injury Disaster Loan Proceeds	<u>149,900</u>	<u>-</u>
 Net Cash Provided by Financing Activities	 <u>241,261</u>	 <u>24,839</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 674,897	 (30,844)
 Cash and Cash Equivalents, Beginning of Year	 <u>107,284</u>	 <u>138,128</u>
 Cash and Cash Equivalents, End of Year	 <u>\$ 782,181</u>	 <u>\$ 107,284</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest Paid	<u>\$ 4,892</u>	<u>\$ 2,832</u>
 Income Taxes Paid	 <u>\$ -</u>	 <u>\$ -</u>

See auditor's report and accompanying notes to financial statements.

THRIVE DC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Originally known as the Dinner Program for Homeless Women, Thrive DC began in 1979 as a response to the first major wave of homelessness on the streets of downtown Washington, DC. Over time, Thrive DC incorporated supplemental social services that attended to the clients' many needs and addressed the root causes of their homelessness. In 1995, Thrive DC began a job training program; in 1998, Thrive DC began serving morning meals to homeless men as well as women; and in 2007, Thrive DC introduced more formalized case management and educational programming for women and men.

Thrive DC's mission is to prevent and end homelessness by providing vulnerable individuals with a comprehensive range of services to help stabilize their lives. Thrive DC envisions a city in which the community unites to ensure that vulnerable individuals have the necessary support and resources to lead fulfilling and stable lives free of homelessness. Thrive DC accomplishes its mission by providing the emergency assistance needed to stabilize lives along with the educational and therapeutic activities, employment preparation, and comprehensive social services required to change lives.

Each day, as part of the Organization's *Daily Bread/Daily Needs* program, Thrive DC staff provides a comprehensive range of free crisis services: breakfast and dinner daily; free showers and laundry; mail, telephone, and computer access; personal care supplies; health and safety items; transportation; and emergency clothing and blankets. Through the Organization's *Links* program, clients participate in enrichment activities, receive individualized case management, and connect with comprehensive services available onsite through Thrive DC community partners. Thrive DC's *Computer Workshop* enables participants to develop the skills they need to function in today's workplace by searching for jobs, preparing for interviews, and strengthening key networks with family and friends. This activity is primarily operated with volunteer support. Thrive DC's *Public Education* program informs the public, supporters, and clients about issues related to homelessness, poverty, and Thrive DC's services through social media, the Organization's website, blog, mass emails, and other communications media. The Organization's intensive *Workforce Development* employment preparedness program embodies the Organization's commitment to ending homelessness by providing individuals with the comprehensive support, rigorous training, and life-skills coaching needed to successfully enter the workforce and become self-sufficient. In 2014, Thrive DC initiated specialized programming targeting homeless women who were attempting to transition back into the community following incarceration. The *Re-Entry* program offers intensive case management, life skills education, employment assistance, recovery education, and financial literacy to a community of women that are working to overcome the increased challenges of re-stabilization due to previous incarceration. The Organization's mission is funded by government grants, individual, faith based, community, and corporate supporters.

THRIVE DC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, the financial statements reflect all significant receivables, payables and other liabilities.

New Accounting Pronouncements

Thrive DC has adopted Accounting Standards Update (ASU) No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)* as management believes the standard improves the usefulness and understandability of the Organization's financial reporting.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THRIVE DC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue

Thrive recognizes contributions when cash, securities and unconditional promises to give or beneficial interest is received. Conditional promises to give, with measurable performance or other condition and right of return are not recognized until the conditions on which they depend have been met.

Cash and Cash Equivalents

The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Grants Receivable

Grants receivable consist of funds raised during the year as well as expense reimbursement under exchange grants. Management has determined that grant receivables are fully collectible within one year; no allowance for uncollectible accounts is considered necessary as of December 31, 2020 and 2019 based on management's analysis of the collectability of receivables based on historic performance and current economic conditions.

Property and Equipment

Equipment is recorded at cost if purchased, or fair market value at time of donation if donated. Acquisition of property and equipment with a useful life of one year or greater and cost or fair market value of \$1,500 or more is capitalized. The costs of maintenance and repairs are charged to expense as incurred; significant renewals and betterments are capitalized. Depreciation is calculated using the straight line method over the estimated useful lives of the assets as follows:

Vehicles	5 Years
Leasehold Improvements	5-7 Years
Furniture and Equipment	3-10 Years

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation or amortization are removed from the accounts and any resulting gain or loss is recognized in income for the period.

Depreciation expense as of December 31, 2020 and 2019 were \$5,460 and \$2,054, respectively.

THRIVE DC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. Expenses which benefit more than one function are allocated on a reasonable basis that is consistently applied; the basis of allocation is the reported time and effort maintained by each employee.

Advertising

The Organization expenses advertising costs as they are incurred.

Income Taxes

Thrive DC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization which is not a private foundation. The Organization has no unrelated business income subject to income tax; therefore, no provision for income taxes has been included in the accompanying financial statements. The Organization's Federal Form 990, Return of Organization Exempt from Income Tax, is subject to examination by the Internal Revenue Service, generally for the three years after it is filed.

Subsequent Events

The Organization evaluated subsequent events through June 18, 2021, the date that the financial statements were available to be issued. Other than the information disclosed in Note 9, the Organization is not aware of any significant events that occurred subsequent to the balance sheet date but prior to June 18, 2021 that would have a material impact on the financial statements.

NOTE 2- CONCENTRATIONS

At times during the year, the Organization maintains cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limits of \$250,000 per bank. The Organization had approximately \$502,000 cash balances on deposit at December 31, 2020 that exceeded the balance insured by the FDIC.

THRIVE DC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 3 - LIQUIDITY AND AVAILABILITY

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. When necessary, the Organization may draw on its line of credit to meet general expenditures.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents	\$ 782,181	\$ 107,284
Accounts Receivable	<u>228,704</u>	<u>149,527</u>
Total Current Financial Assets at Year End	1,010,885	256,811
Amounts Unavailable for General Expenditures Within One Year, Due to:		
Restricted by Donors With Time Restrictions	(40,000)	(69,883)
Restricted by Donors for a Specific Purpose	<u>(10,750)</u>	<u>(21,793)</u>
Total Financial Assets Available for General Expenditure Within One Year	\$ <u>960,135</u>	\$ <u>165,135</u>

NOTE 4 - LINE OF CREDIT

Thrive DC has a \$50,000 line of credit available in 2019. Interest is payable monthly. The line bears interest at a variable rate plus 2%; at December 31, 2019, the rate in effect was 7.5%. At December 31, 2020 and 2019, \$0 and \$49,839, respectively, was outstanding on the line of credit.

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

At December 31, net assets with donor restrictions are available for the following purposes:

	<u>2020</u>	<u>2019</u>
Client Assistance	\$ 7,750	\$ 2,670
Links	-	16,123
Technology and Upgrades	3,000	3,000
Time	<u>40,000</u>	<u>69,883</u>
Total	\$ <u>50,750</u>	\$ <u>91,676</u>

THRIVE DC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 6 - INKIND CONTRIBUTIONS

The Organization receives inkind contributions of food, professional services, program supplies, and clothing. The value of the donated items is recorded at estimated fair value at the time of donation. Inkind contributions are recorded as revenue without donor restrictions and expenses in the accompanying statements of activities and changes in net assets and functional expenses. Inkind professional services support primarily management and general functions.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization with its daily operations. The Organization programs are furthered through these contributions of time by a significant number of unpaid volunteers. The services would have to be purchased without the contributions of volunteers. The value of these contributed services, which is approximately 9,165 hours and 4,119 hours for the years ended December 31, 2020 and 2019, respectively, is not reflected in the accompanying financial statements as they are for non-specialized services, which are not recognized under accounting principles generally accepted in the United States of America.

Recognized inkind contributions consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Food	\$ 1,463,585	\$ 1,516,801
Clothing and Toiletries	158,292	91,604
Professional Services	<u>---</u>	<u>9,340</u>
Total	\$ <u>1,621,877</u>	\$ <u>1,617,745</u>

NOTE 7 - OPERATING LEASES

Subsequent to year end, Thrive DC entered into a five year facility lease extension for an additional five years through January 31, 2025. The lease agreement requires base monthly rental payments of \$9,706 with a 3% increase each year. Subsequent to lease signing, the space utilized was reduced, and the monthly payment was accordingly reduced. At the current payment rate, future minimum rental payments for the lease at December 31, 2020 are as follows:

Year ending December 31,	
2021	\$ 109,725
2022	113,017
2023	116,405
2024	119,900
2025	<u>10,016</u>
Total	\$ <u>469,063</u>

THRIVE DC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 8 - RETIREMENT PLAN

On April 1, 2013, Thrive DC established a 403(b) retirement plan for all eligible employees who are at least 21 years of age and have worked an equivalent of one year in hours. Thrive DC has elected to make a discretionary match (if any) at each plan year end, which is December 31. If the discretionary match is made, all participants are 100% vested if they are eligible to participate in the plan at year end. No employer contributions were made to the plan for the years ended December 31, 2020 and 2019.

NOTE 9 – LOANS PAYABLE

Paycheck Protection Program

In April 2020, Thrive DC applied and was approved for a loan in the amount of \$141,200 under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the U.S. Small Business Administration. The loan accrues interest at 1%, but payments are not required to begin for 24-months after funding of the loan. The Corporation is eligible for loan forgiveness of up to 100% of the principal upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government. The Corporation incurred eligible expenses and met criteria required for forgiveness of the full amount during the year ended December 31, 2020. The Corporation anticipates the entire loan amount to be forgiven upon execution of the application and has included the loan with current liabilities in the statements of financial position.

Economic Injury Disaster Loan

In June 2020, the Organization was approved for a \$149,900 loan under the U.S. Small Business Administration's Economic Injury Disaster Loan program. The loan bears interest at 2.75% per annum and requires monthly payments of \$641, which begin twelve months after the date of the note. The loan is secured by the assets of the Organization. The term of the loan is thirty years. The loan of \$149,900 was fully repaid to the U.S. Small Business Administration on June 18, 2021.