



FINANCIAL STATEMENTS

**FOR THE YEARS ENDED
DECEMBER 31, 2015 AND 2014**

THRIVE DC
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor’s Report	3-4
Financial Statements:	
Statements of Financial Position	5
Statements of Activities and Changes in Net Assets	6-7
Statements of Functional Expenses	8-9
Statements of Cash Flows	10
Notes to Financial Statements	11-16

130 Admiral Cochrane Drive, Suite 200 • Annapolis, MD 21401
Office: 410.224.0343 • Fax: 410.224.0043

Independent Auditor's Report

To the Board of Directors
Thrive DC
Washington, 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, 2015 and 2014, 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, 2015 and 2014, 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.

Toal, Griffith + Ragula, LLC

June 8, 2016

THRIVE DC
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 584,143	\$ 708,552
Grants Receivable	153,836	175,064
Prepaid Expenses	<u>14,488</u>	<u>15,531</u>
Total Current Assets	752,467	899,147
Fixed Assets:		
Leasehold Improvements	128,549	128,549
Furniture and Equipment	57,549	53,249
Vehicles	23,094	23,094
Less: Accumulated Depreciation	<u>(174,724)</u>	<u>(154,037)</u>
Net Fixed Assets	34,468	50,855
Other Assets:		
Security Deposit	<u>13,500</u>	<u>13,500</u>
Total Other Assets	<u>13,500</u>	<u>13,500</u>
Total Assets	<u>\$ 800,435</u>	<u>\$ 963,502</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 17,312	\$ 14,909
Accrued Payroll	<u>29,150</u>	<u>40,496</u>
Total Current Liabilities	<u>46,462</u>	<u>55,405</u>
Total Liabilities	46,462	55,405
Net Assets:		
Unrestricted	620,280	793,665
Temporarily Restricted	<u>133,693</u>	<u>114,432</u>
Total Net Assets	<u>753,973</u>	<u>908,097</u>
Total Liabilities and Net Assets	<u>\$ 800,435</u>	<u>\$ 963,502</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, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE			
Individual Contributions	\$ 190,700	\$ 23,736	\$ 214,436
Community Organization Contributions	14,005	20,938	34,943
Business Contributions	12,600	-	12,600
Foundation Grants	221,274	112,279	333,553
Government Grants	453,975	-	453,975
Events	22,728	-	22,728
Interest Income	486	-	486
Other Revenue	502	-	502
Inkind Donations	1,434,095	-	1,434,095
Total Revenue	<u>2,350,365</u>	<u>156,953</u>	<u>2,507,318</u>
Net Assets Released from Restrictions	<u>137,692</u>	<u>(137,692)</u>	<u>-</u>
Total Revenue	2,488,057	19,261	2,507,318
EXPENSES			
Program Services:			
Computer Workshop	388	-	388
Daily Bread/Daily Needs	1,935,009	-	1,935,009
Dinner Program	24,687	-	24,687
Links	167,138	-	167,138
Many Hands	65,536	-	65,536
Public Education	41,701	-	41,701
Real Opportunity	116,663	-	116,663
Re-Entry Program	29,432	-	29,432
Total Program Services	<u>2,380,554</u>	<u>-</u>	<u>2,380,554</u>
Support Services:			
Management and General	197,532	-	197,532
Fundraising	83,356	-	83,356
Total Support Services	<u>280,888</u>	<u>-</u>	<u>280,888</u>
Total Expenses	<u>2,661,442</u>	<u>-</u>	<u>2,661,442</u>
Change in Net Assets	(173,385)	19,261	(154,124)
Net Assets at Beginning of Year	<u>793,665</u>	<u>114,432</u>	<u>908,097</u>
Net Assets at End of Year	<u>\$ 620,280</u>	<u>\$ 133,693</u>	<u>\$ 753,973</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, 2014

	Unrestricted	Temporarily Restricted	Total
REVENUE			
Individual Contributions	\$ 164,613	\$ 3,750	\$ 168,363
Community Organization Contributions	107,273	21,910	129,183
Business Contributions	19,080	-	19,080
Foundation Grants	192,265	233,525	425,790
Government Grants	442,840	-	442,840
Hostel Revenue	128	-	128
Interest Income	484	-	484
Other Revenue	1,613	-	1,613
Inkind Donations	1,508,127	-	1,508,127
Total Revenue	2,436,423	259,185	2,695,608
Net Assets Released from Restrictions	196,676	(196,676)	-
Total Revenue	2,633,099	62,509	2,695,608
EXPENSES			
Program Services:			
Computer Workshop	8,236	-	8,236
Daily Bread/Daily Needs	1,683,156	-	1,683,156
Dinner Program	104,480	-	104,480
Links	147,398	-	147,398
Main Program	5,722	-	5,722
Many Hands	87,286	-	87,286
Public Education	80,720	-	80,720
Real Opportunity	110,484	-	110,484
Re-Entry Program	96,283	-	96,283
Total Program Services	2,323,765	-	2,323,765
Support Services:			
Management and General	178,586	-	178,586
Fundraising	199,966	-	199,966
Total Support Services	378,552	-	378,552
Total Expenses	2,702,317	-	2,702,317
Change in Net Assets	(69,218)	62,509	(6,709)
Net Assets at Beginning of Year	862,883	51,923	914,806
Net Assets at End of Year	\$ 793,665	\$ 114,432	\$ 908,097

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

THRIVE DC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Program Services								Support Services			Total Expenses	
	Computer Workshop	Daily Bread/Daily Needs	Dinner Program	Links	Many Hands	Public Education	Real Opportunity	Re-Entry Program	Total Program Services	Management and General	Fundraising		Total Support Services
Personnel	\$ 33	\$ 253,121	\$ 16,815	89,649	43,545	29,847	55,694	19,443	\$ 508,147	\$ 99,275	47,947	\$ 147,222	\$ 655,369
Trainee Wages and Stipends	-	2,342	-	4,906	-	-	24,436	-	31,684	571	-	571	32,255
Fringe Benefits	6	46,711	3,063	16,588	8,018	4,485	10,839	3,484	93,194	45,867	9,112	54,979	148,173
Advertising	-	1,334	81	458	215	110	350	121	2,669	703	320	1,023	3,692
Client Assistance	-	27,715	-	3,341	-	-	2,605	696	34,357	-	-	-	34,357
Client Transportation Assistance	-	-	-	10,134	-	-	4,454	-	14,588	39	-	39	14,627
Depreciation	-	15,050	192	1,300	510	324	907	229	18,512	1,535	640	2,175	20,687
Event Rental	-	-	-	-	-	-	-	-	-	-	1,598	1,598	1,598
Food/Groceries	-	59,885	28	-	-	-	-	-	59,913	18	1,294	1,312	61,225
Food and Supplies - Inkind	-	1,432,465	-	-	-	-	-	-	1,432,465	-	-	-	1,432,465
Insurance	1	9,683	623	3,430	1,643	771	2,443	752	19,346	4,545	1,901	6,446	25,792
Kitchen Supplies	-	22,983	-	11	-	-	-	-	22,994	-	524	524	23,518
Maintenance	-	3,266	19	505	109	48	179	55	4,181	2,663	35	2,698	6,879
Office Supplies	345	12,666	821	4,784	2,174	2,350	3,197	991	27,328	8,430	9,187	17,617	44,945
Professional Fees and Contractual Services	1	8,097	559	2,880	1,384	701	1,977	601	16,200	11,988	1,629	13,617	29,817
Program Supplies	-	2,176	26	15,942	121	45	227	166	18,703	1,196	322	1,518	20,221
Rent	2	32,343	2,111	11,454	5,541	2,627	8,137	2,514	64,729	15,339	6,353	21,692	86,421
Subscriptions and Dues	-	444	66	239	96	33	114	22	1,014	1,262	1,352	2,614	3,628
Telephone and Internet	-	4,345	283	1,517	798	360	1,104	358	8,765	2,100	983	3,083	11,848
Volunteer and Donor Cultivation	-	383	-	-	1,382	-	-	-	1,765	2,001	159	2,160	3,925
Total Functional Expenses	\$ 388	\$ 1,935,009	\$ 24,687	\$ 167,138	\$ 65,536	\$ 41,701	\$ 116,663	\$ 29,432	\$ 2,380,554	\$ 197,532	\$ 83,356	\$ 280,888	\$ 2,661,442

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

THRIVE DC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Services										Support Services			Total Expenses
	Computer Workshop	Daily Bread/Daily Needs	Dinner Program	Links	Main Program	Many Hands	Public Education	Real Opportunity	Re-Entry Program	Total Program Services	Management and General	Fundraising	Total Support Services	
Personnel	\$ 4,939	\$ 102,962	\$ 64,293	\$ 67,593	\$ -	\$ 51,974	\$ 46,857	\$ 48,260	\$ 58,085	\$ 444,963	\$ 74,744	\$ 95,711	\$ 170,455	\$ 615,418
Trainee and Intern Stipends	-	2,699	-	4,498	-	-	-	28,139	-	35,336	4,225	-	4,225	39,561
Fringe Benefits	1,076	22,562	13,845	15,813	862	11,421	10,108	10,667	12,581	98,935	17,525	20,610	38,135	137,070
Advertising	-	-	-	-	1,333	459	1,726	-	-	3,518	314	6,475	6,789	10,307
Client Assistance	-	3	-	6,954	-	-	-	2,618	-	9,575	-	-	-	9,575
Client Transportation Assistance	-	-	-	12,248	-	-	-	1,137	-	13,385	-	-	-	13,385
Depreciation	287	5,975	3,731	3,923	-	3,016	2,719	2,801	3,371	25,823	4,337	5,554	9,891	35,714
Event Rental	-	-	-	-	-	-	-	-	-	-	10	27,123	27,133	27,133
Food	-	73,826	1,401	40	105	25	-	-	-	75,397	503	194	697	76,094
Food and Supplies - Inkind	-	1,416,302	-	-	-	-	-	-	-	1,416,302	-	-	-	1,416,302
Insurance	222	4,540	2,848	2,963	-	2,327	2,098	2,158	2,609	19,765	2,460	4,611	7,071	26,836
Kitchen Supplies	-	18,578	-	307	99	154	-	-	-	19,138	104	-	104	19,242
Maintenance	-	1,508	-	79	88	-	-	-	-	1,675	2,055	-	2,055	3,730
Office Supplies	267	5,555	3,426	4,050	791	3,404	3,424	2,612	3,704	27,233	4,813	11,207	16,020	43,253
Professional Fees and Contractual Services	148	3,022	1,876	2,003	-	1,529	1,376	1,415	1,712	13,081	9,516	3,117	12,633	25,714
Professional Fees and Contractual Services - Inkind	516	7,426	3,096	3,784	-	3,096	2,752	2,752	4,200	27,622	46,707	5,332	52,039	79,661
Program Supplies	-	2,125	-	12,620	-	30	-	17	1,040	15,832	734	77	811	16,643
Rent	683	13,945	8,736	9,231	-	7,108	6,406	6,604	7,875	60,588	7,592	14,429	22,021	82,609
Subscriptions and Dues	27	716	345	370	70	313	287	637	290	3,055	1,292	1,590	2,882	5,937
Telephone and Internet	71	1,412	883	922	2,300	726	2,967	667	816	10,764	1,496	3,898	5,394	16,158
Volunteer and Donor Cultivation	-	-	-	-	74	1,704	-	-	-	1,778	159	38	197	1,975
Total Functional Expenses	\$ 8,236	\$ 1,683,156	\$ 104,480	\$ 147,398	\$ 5,722	\$ 87,286	\$ 80,720	\$ 110,484	\$ 96,283	\$ 2,323,765	\$ 178,586	\$ 199,966	\$ 378,552	\$ 2,702,317

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

THRIVE DC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (154,124)	\$ (6,709)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation and Amortization	20,687	35,714
Donation of Fixed Assets	-	-
(Increase) Decrease in:		
Accounts Receivable	21,228	(96,891)
Prepaid Expenses	1,043	4,340
Increase (Decrease) in:		
Accounts Payable	2,403	(1,698)
Accrued Payroll	<u>(11,346)</u>	<u>6,315</u>
Net Cash Used by Operating Activities	(120,109)	(58,929)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Equipment and Leasehold Improvements	<u>(4,300)</u>	<u>-</u>
Net Cash Used by Investing Activities	(4,300)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
	<u>-</u>	<u>-</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(124,409)	(58,929)
Cash and Cash Equivalents, Beginning of Year	<u>708,552</u>	<u>767,481</u>
Cash and Cash Equivalents, End of Year	<u>\$ 584,143</u>	<u>\$ 708,552</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest Paid	<u>\$ -</u>	<u>\$ -</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, 2015 AND 2014

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. 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 *Real Opportunity* 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, 2015 AND 2014

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.

Basis of Presentation

The Organization's financial reporting classifies resources, for accounting and reporting purposes, into three net asset categories according to externally (donor) imposed restrictions. The Organization records unconditional promises to give (pledges) as receivables and revenues and distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. A description of the three net asset categories follows.

- Permanently Restricted - the portion of the net assets resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
- Temporarily Restricted - the portion of the net assets resulting from contributions or other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
- Unrestricted - the portion of the net assets that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions.

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, 2015 AND 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2015 and 2014 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.

Allocation of Expenses

Expenses are allocated between program services, management and general support, and fundraising, in accordance with generally accepted accounting principles, and have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising

The Organization expenses advertising costs as they are incurred.

THRIVE DC
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 the date that the financial statements were available to be issued. The Organization is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to June 8, 2016 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 has cash balances on deposit at December 31, 2015 that exceeded the balance insured by the FDIC by approximately \$270,060. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents and has not experienced any losses on such accounts.

NOTE 3 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2015</u>	<u>2014</u>
Client Assistance	\$ 6,088	\$ ---
Food	---	20
Funeral Assistance	5,000	---
Kitchen Equipment	1,600	9,232
LINKS	16,635	5,180
Time	<u>104,370</u>	<u>100,000</u>
Total	\$ <u>133,693</u>	\$ <u>114,432</u>

THRIVE DC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 4 - 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 unrestricted revenue and expenses in the accompanying statements of activities and changes in net assets and functional expenses.

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 \$254,865 and \$339,600 for the years ended December 31, 2015 and 2014, 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.

Inkind contributions consisted of the following at December 31:

	<u>2015</u>	<u>2014</u>
Food	\$ 1,278,600	\$ 1,325,694
Clothing, Toiletries, and Program Supplies	155,495	90,608
Professional Services	<u>---</u>	<u>91,825</u>
Total	\$ <u>1,434,095</u>	\$ <u>1,508,127</u>

There were no professional services included as contributions in the financial statements for the year ended December 31, 2015.

The value of donated goods and services included as contributions in the financial statements and the corresponding expenses for the year ended December 31, 2014 are as follows:

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Communications and Media Support	\$ 9,267	\$ ---	\$ 4,633	\$ 13,900
Client Assistance	2,195	---	---	2,195
Legal	25,800	3,268	5,332	34,400
Events	---	---	2,780	2,780
Strategic Planning and Consulting	---	36,800	---	36,800
Program Supplies	<u>1,750</u>	<u>---</u>	<u>---</u>	<u>1,750</u>
Total	\$ <u>39,012</u>	\$ <u>40,068</u>	\$ <u>12,745</u>	\$ <u>91,825</u>

THRIVE DC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 5 - OPERATING LEASES

In 2010, Thrive DC entered into a 5 year facility lease that was extended for an additional five years on January 31, 2015, the lease expires on January 31, 2020.

The lease agreement requires base monthly rental payments of \$6,884; rent may increase annually at the discretion of the lessor, but such increase will not exceed 10% per annum.

Future minimum rental payments for the lease at December 31, 2015 are as follows:

Year ending December 31,

2016	\$	87,280
2017		89,826
2018		92,449
2019		95,150
2020		<u>97,933</u>
Total	\$	<u>462,638</u>

NOTE 6 - 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, 2015 and 2014.