Thrive-Transformations at Work

Financial Statements

December 31, 2016

Source CPAs, LLC
All the Assurance You Need

Edward Hamilton, CPA
Terri L. Hamilton, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management
Thrive-Transformations at Work
355 W. South Boulder Road
Lafayette, CO 80026

We have audited the accompanying financial statements of Thrive-Transformations at Work (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, cash flows and functional expense for the year 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 audit. We conducted our audit 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 accounting 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-Transformations at Work as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

/s/Source CPAs, LLC
Denver, Colorado
February 27, 2017

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THRIVE-TRANSFORMATIONS AT WORK
STATEMENT OF FINANCIAL POSITION
December 31, 2016

ASSETS

Cash and cash equivalents	$	83,649
Prepaid expenses		4,263
Property and equipment, net		1,982
Total Assets	$	89,894

LIABILITIES AND NET ASSETS

LIABILITIES		
Accrued expenses	$	677
Income taxes payable		5,358
Total Liabilities		6,035
NET ASSETS		
Unrestricted		83,858
Total Net Assets		83,858
Total Liabilities and Net Assets	$	89,894

THRIVE-TRANSFORMATION AT WORK
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the year ended December 31, 2016

UNRESTRICTED NET ASSETS	
Support and revenue	
Program income	$ 307,697
Total support and revenue	307,697
Expenses	
Program service expenses	223,890
Support services expenses	25,830
Total expenses	249,720
Increase in unrestricted net assets before income tax expense	57,978
Federal and state income tax expense	-
Increase in unrestricted net assets	57,978
Net assets at beginning of period	25,881
Net assets at end of period	$ 83,858

THRIVE-TRANSFORMATION AT WORK

STATEMENT OF CASH FLOWS

For the year ended December 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$	57,978
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense		718
Change in prepaid assets		-
Change in accrued expenses		239
Change in prepaid dues		(1,350)
Change in income taxes payable		-
Change in payroll taxes payable		(10)
Change in property taxes payable		-
Net cash provided by operating activities		57,575
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets		-
Net cash (used) by investing activities		-
NET INCREASE IN CASH		57,575
CASH & CASH EQUIVALENTS-BEGINNING OF PERIOD		26,074
CASH & CASH EQUIVALENTS-END OF PERIOD	$	83,649

See accompanying notes and independent accountants' report

THRIVE-TRANSFORMATION AT WORK
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the year ended December 31, 2016

	Program Service	Support Service	Total Expenses 2016
Salaries, payroll taxes and benefits	$ 199,014	15,600	$ 214,614
Food and shelter expense	-	3,033	3,033
Education	-	6,572	6,572
Travel	2,223		2,223
Entertainment	1,090	-	1,090
Equipment expense	558	-	558
Insurance	3,458	-	3,458
Communications	625	-	625
Office supplies and expense	1,175	625	1,800
Repairs and maintenance	209	-	209
Professional services	10,330	-	10,330
Other	1,048	-	1,048
Fees	1,435	-	1,435
Volunteer expense	164	-	164
Training	743	-	743
Dues and subscriptions	1,043	-	1,043
Postage	56	-	56
Property taxes	-	-	-
	223,172	25,830	249,002
Depreciation	718	-	718
Total expenses	$ 223,890	$ 25,830	$ 249,720

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Thrive-Transformation at Work is a charitable organization within the meaning of section 501(c)(3) of the Internal Revenue Code located in Lafayette, Colorado. Thrive helps people overcome barriers and work their way to self-sufficiency and stability through employment. Thrive was created to offer a holistic approach to eliminating poverty through relationships, employment support services, skills development, and education. Thrive partners with willing and capable people to work toward the goal of economic self-sufficiency and stability through employment by helping members overcome barriers to gaining, maintaining and advancing at work.

Basis of Accounting

The Organization is recording and reporting all transactions on the accrual basis (i.e., revenues are recorded when earned and expenses are recorded when incurred).

Estimates

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

Property and Equipment

Property and equipment is recorded at cost if purchased. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Depreciation is computed using the straight-line method over the estimated useful lives for assets purchased prior to 2016. Depreciation expense for the year ended December 31, 2016 is $718. The cost of maintenance and repairs is charged to expense when incurred; significant renewals and betterments are capitalized.

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

Financial Statement Presentation

Under FASB SFAS 958, *Not for Profit Entities,* the Organization is required to report information regarding its financial position and activities per three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Currently, all net assets are classified as unrestricted.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments available for current use with an initial maturity of one year or less to be cash equivalents.

Contributions

Under FASB SFAS 958, *Not for Profit Entities*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the absence or existence or nature of any donor restrictions.

Compensated Absences

It is impracticable to estimate the amount of compensation for future absences, and, accordingly, no liability has been recorded in the accompanying financial statements. The Organization's policy is to recognize the costs of compensated absences when paid to employees.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the year ending 2015 is subject to examination by the IRS, generally for three years after they were filed.

NOTE 2 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2016
Computer equipment	$ 2,879
Accumulated depreciation	(898)
Property and equipment, net	$ 1,981

NOTE 3 – RETIREMENT PLAN

The Organization has established a cash or deferred profit sharing 401(k) retirement plan for all employees who have attained age 21 and have one year of employment. The Plan is with the employees' elective salary deferrals, both pre-tax or after tax or a combination, and employer safe harbor matching contributions. The Organization is required to contribute a safe harbor matching contribution equal to 100% of the participant's elective deferrals up to 10% of the participant's compensation. Additional employer discretionary contributions are permitted. Pension expense for 2016 was $11,970.

NOTE 4 – SUBSEQUENT EVENTS

Events subsequent to December 31, 2016 have been evaluated through February 27, 2017, the date these statements were available to be issued, to determine whether they should be disclosed to keep the financial statements from being misleading. Management found no subsequent events to be disclosed.