

THRIVE ST. LOUIS
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)



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**THRIVE ST. LOUIS
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2022**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF FUNCTIONAL EXPENSES	5
STATEMENT OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8



INDEPENDENT AUDITORS' REPORT

Board of Directors
Thrive St. Louis
St. Louis, Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Thrive St. Louis, which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thrive St. Louis as of June 30, 2022, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Thrive St. Louis's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Thrive St. Louis's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited Thrive St. Louis's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 29, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.



CliftonLarsonAllen LLP

St. Louis, Missouri
January 23, 2023

THRIVE ST. LOUIS
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022
(WITH SUMMARIZED COMPARATIVE TOTAL INFORMATION AS OF JUNE 30, 2021)

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,047,278	\$ 1,424,774
Prepaid Expenses	46,078	62,830
Grant Receivables	101,707	21,740
Total Current Assets	<u>2,195,063</u>	<u>1,509,344</u>
PROPERTY AND EQUIPMENT		
Land	147,000	147,000
Building and Improvements	1,061,748	1,061,748
Furniture	75,724	75,724
Equipment	588,048	576,068
Leasehold Improvements	191,930	191,930
Vehicles	247,967	345,956
Total	<u>2,312,417</u>	<u>2,398,426</u>
Less: Accumulated Depreciation and Amortization	<u>(1,551,954)</u>	<u>(1,573,843)</u>
Net Property and Equipment	760,463	824,583
DEPOSITS		
	<u>3,539</u>	<u>3,539</u>
Total Assets	<u><u>\$ 2,959,065</u></u>	<u><u>\$ 2,337,466</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 56,219	\$ 41,408
Accrued Expenses	1,832	1,803
Total Current Liabilities	<u>58,051</u>	<u>43,211</u>
Total Liabilities	58,051	43,211
NET ASSETS		
Without Donor Restrictions	2,901,014	2,294,255
Total Net Assets	<u>2,901,014</u>	<u>2,294,255</u>
Total Liabilities and Net Assets	<u><u>\$ 2,959,065</u></u>	<u><u>\$ 2,337,466</u></u>

See accompanying Notes to Financial Statements.

THRIVE ST. LOUIS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED COMPARATIVE TOTAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2021)

	<u>2022</u>	<u>2021</u>
SUPPORT AND REVENUE		
Support:		
Contributions	\$ 2,988,128	\$ 2,667,010
Contributions of Nonfinancial Assets	<u>204,844</u>	<u>226,899</u>
Total Support	3,192,972	2,893,909
Revenue:		
Contracts and Grants	633,290	624,502
Special Events, Net of Costs of Direct		
Benefits to Donors of \$202,892 and \$200,389 for		
2022 and 2021, Respectively	151,652	377,537
Forgiveness of Payroll Protection Program Loan	-	360,500
Gain on Sale of Assets	78,762	-
Miscellaneous	<u>3,081</u>	<u>18,092</u>
Total Revenue	866,785	1,380,631
Total Support and Revenue	4,059,757	4,274,540
EXPENSES		
Program Services:		
Pregnancy Counseling and Client Services Expenses	1,754,479	1,628,032
Human Services Expenses	131,175	127,125
Sexual Education Expenses	<u>553,700</u>	<u>521,626</u>
Total Program Services	2,439,354	2,276,783
Supporting Services:		
Management and General	289,071	300,336
Fundraising and Advancement	<u>724,573</u>	<u>573,192</u>
Total Supporting Services	1,013,644	873,528
Total Expenses	3,452,998	3,150,311
CHANGE IN NET ASSETS	606,759	1,124,229
Net Assets - Beginning of Year	<u>2,294,255</u>	<u>1,170,026</u>
NET ASSETS - END OF YEAR	<u>\$ 2,901,014</u>	<u>\$ 2,294,255</u>

See accompanying Notes to Financial Statements.

THRIVE ST. LOUIS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED COMPARATIVE TOTAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2021)

	2022			
	Program Services			
	Pregnancy Counseling and Client Services	Human Services	Sexual Education	Total Program Services
Salaries and Related Costs	\$ 1,130,994	\$ 85,172	\$ 411,081	\$ 1,627,247
Insurance	28,701	-	1,126	29,827
Client Assistance	114,147	43,567	-	157,714
Supplies	83,323	411	25,014	108,748
Facility and Equipment Rent	68,372	-	10,589	78,961
Venue/ Food Expense	-	-	-	-
Telephone	7,204	1,878	3,638	12,720
Utilities	54,070	-	-	54,070
Volunteer	48,228	-	-	48,228
Advertising and Public Relations	-	-	-	-
Repairs and Maintenance	47,462	-	557	48,019
Professional Fees	11,260	-	23,798	35,058
Conferences and Travel	10,873	147	9,648	20,668
Bank Service Charges	-	-	-	-
Postage and Printing	3,117	-	609	3,726
Events and Appeals	-	-	-	-
Membership Fees and Dues	2,727	-	676	3,403
Educational Material	10,824	-	3,324	14,148
Taxes and Licenses	5,974	-	-	5,974
Interest	-	-	-	-
Website	1,310	-	-	1,310
Community Education	-	-	13,628	13,628
Consulting	47,466	-	-	47,466
Other and Miscellaneous Expense	31,690	-	50,012	81,702
Depreciation and Amortization	46,737	-	-	46,737
Total Expenses	1,754,479	131,175	553,700	2,439,354
Less: Expenses Netted Against Revenue on the Statement of Activities:				
Special Events	-	-	-	-
Total Expenses Included on the Statement of Activities	\$ 1,754,479	\$ 131,175	\$ 553,700	\$ 2,439,354

See accompanying Notes to Financial Statements.

THRIVE ST. LOUIS
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED COMPARATIVE TOTAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2021)

	2022			2021	
	Supporting Services				
	Management and General	Fundraising and Advancement	Total Supporting Services	Total Expenses	Total Expenses
Salaries and Related Costs	\$ 150,328	\$ 437,220	\$ 587,548	\$ 2,214,795	\$ 2,002,611
Insurance	6,202	820	7,022	36,849	45,538
Client Assistance	-	-	-	157,714	118,705
Supplies	6,855	6,331	13,186	121,934	68,295
Facility and Equipment Rent	5,254	-	5,254	84,215	73,607
Venue/ Food Expense	-	65,622	65,622	65,622	68,189
Telephone	5,198	9,121	14,319	27,039	21,244
Utilities	3,577	2,522	6,099	60,169	35,153
Volunteer	-	-	-	48,228	64,865
Advertising and Public Relations	-	116,644	116,644	116,644	132,862
Repairs and Maintenance	32,997	9,186	42,183	90,202	96,399
Professional Fees	5,562	-	5,562	40,620	39,091
Conferences and Travel	8,875	9,796	18,671	39,339	32,136
Bank Service Charges	31,810	-	31,810	31,810	31,387
Postage and Printing	3,133	2,046	5,179	8,905	6,956
Events and Appeals	-	231,945	231,945	231,945	166,791
Membership Fees and Dues	1,872	2,801	4,673	8,076	7,798
Educational Material	440	799	1,239	15,387	18,466
Taxes and Licenses	904	-	904	6,878	5,703
Interest	101	-	101	101	124
Website	-	-	-	1,310	429
Community Education	-	-	-	13,628	2,750
Consulting	-	-	-	47,466	64,000
Other and Miscellaneous Expense	5,932	32,612	38,544	120,246	151,734
Depreciation and Amortization	20,031	-	20,031	66,768	95,867
Total Expenses	289,071	927,465	1,216,536	3,655,890	3,350,700
Less: Expenses Netted Against Revenue on the Statement of Activities:					
Special Events	-	(202,892)	(202,892)	(202,892)	(200,389)
Total Expenses Included on the Statement of Activities	<u>\$ 289,071</u>	<u>\$ 724,573</u>	<u>\$ 1,013,644</u>	<u>\$ 3,452,998</u>	<u>\$ 3,150,311</u>

See accompanying Notes to Financial Statements.

THRIVE ST. LOUIS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED COMPARATIVE TOTAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Contributions	\$ 3,342,672	\$ 3,244,936
Cash Received from Earned Program Services	553,323	619,283
Cash Paid to Suppliers and Employees	(3,352,579)	(3,007,257)
Interest Paid	(101)	(124)
Other Expense/Income Received	3,077	16,200
Net Cash Provided by Operating Activities	<u>546,392</u>	<u>873,038</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Property and Equipment	(11,980)	(15,649)
Proceeds from Sale of PP&E	88,092	-
Net Cash Provided (Used) by Investing Activities	<u>76,112</u>	<u>(15,649)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Capital Lease Obligations	-	(7,012)
Net Cash Used by Financing Activities	<u>-</u>	<u>(7,012)</u>
NET CHANGE IN CASH	622,504	850,377
Cash - Beginning of Year	<u>1,424,774</u>	<u>574,397</u>
CASH - END OF YEAR	<u><u>\$ 2,047,278</u></u>	<u><u>\$ 1,424,774</u></u>
RECONCILIATION OF CHANGES IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Change in Net Assets	\$ 606,759	\$ 1,124,229
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	66,770	95,867
Gain (Loss) on Property and Equipment	(78,762)	7,463
Forgiveness of Payroll Protection Program Loan	-	(360,500)
Changes in Assets and Liabilities:		
Prepaid Expenses	16,752	10,412
Contract and Grant Receivable	(79,967)	(5,219)
Accounts Payable	14,811	(60)
Accrued Expenses	29	846
Total Adjustments	<u>(60,367)</u>	<u>(251,191)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 546,392</u></u>	<u><u>\$ 873,038</u></u>

See accompanying Notes to Financial Statements.

THRIVE ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 NATURE OF ORGANIZATION

Thrive St. Louis (the Organization) is a nonprofit organization which provides assistance and counseling for women faced with unexpected pregnancies in the St. Louis, Missouri region and educates youth about making the healthiest choices regarding sex, pregnancy, and relationships. Revenue is generated primarily through donations and grants to the Organization.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting.

Basis of Presentation

The Organization reports its information regarding financial position and activities according to two classes of net assets depending upon the existence or nature of any donor-imposed restrictions. The following is a description of these classes of net assets:

Net Assets Without Donor Restrictions – Those resources over which the board of directors has discretionary control. Designated amounts represent those resources that the board has set aside for a particular purpose.

Net Assets With Donor Restrictions – Those resources subject to donor-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. No resources with donor restrictions were held during the year ended June 30, 2022; and, accordingly, these financial statements do not reflect any activity related to this class of net assets.

Estimates and Assumptions

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

THRIVE ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Description of Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements.

Program Services

Pregnancy Counseling and Client Services, Human Services and Sexual Education – For women facing unexpected pregnancies, the Organization provides counseling and assistance, including providing maternity home facilities to give mothers an opportunity to focus on pregnancy and personal needs. Additionally, brick and mortar and mobile locations provide pregnancy and women’s health related services to college students and the underserved. The Organization also educates youth at high schools, middle schools, youth groups, and churches about making best and healthiest choices and includes information on sexual integrity, sexually transmitted diseases, brain function, premarital, and marital sex.

Supporting Services

Management and General – These expenses include the functions necessary to maintain the execution of the program strategy, secure proper administrative functioning of the board of directors, and manage the financial and budgetary responsibilities of the Organization.

Fundraising and Advancement – These expenses provide the structure necessary to encourage and secure financial support for the Organization through contributions.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents.

Contracts and Grant Revenue and Receivables

Contract and grant receivables are stated at the amount management expects to collect from outstanding balances. This balance consists of billings to another nonprofit organization for grant billings to private and government granting agencies. At June 30, 2022, the contract grant receivable balance was \$101,707. No allowance for doubtful accounts was deemed necessary by management. The Organization has received notice of grants of \$228,231 that have not been recognized at June 30, 2022, because qualifying expenditures have not yet been incurred.

Property and Equipment

The Organization capitalizes all expenditures in excess of \$500 for property and equipment at cost. Property and equipment received by donation is recorded at the fair market value at the date of donation. Expenditures for normal repairs and maintenance are charged to expense as incurred. Major repairs that significantly extend the life of an asset are capitalized. Depreciation and amortization is provided on the straight-line method over the estimated useful lives of the assets ranging from 3 to 40 years. Leasehold improvements are amortized over the lesser of the estimated useful life or the term of the lease.

THRIVE ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Support and Revenue With and Without Donor Restrictions

Contributions received are recorded as support with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions that are restricted for time or purpose are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose of the restrictions. Current funds without donor restrictions are the operating funds of the Organization and are currently expendable.

Contributed Services and Materials

Certain professional services are donated to the Organization by various individuals. Since these donated services meet the criteria for recognition under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605, *Accounting for Contributions Received and Contributions Made*, they are recorded at fair value at the date of donation and are described in more detail at Note 5. In addition, a substantial number of volunteers have donated a significant amount of their time to the Organization's programs. However, certain donated services have not been recorded because they do not meet the criteria under ASC 958-605. Various materials, supplies, and equipment are donated to the Organization. These items are recorded as contributions at their respective estimated fair values at the date of the donation.

Revenue Recognition for Contracts

Those contracts considered exchange transactions are generally recognized as revenue in the period the specific services are performed over a period of time based on a single performance obligation. Of the total contracts and grant revenue, exchange transaction revenue totaled \$158,070 for the year ended June 30, 2022.

Expense Allocation

The costs of providing the Organization's program and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited, as shown in the statement of functional expenses based on management's estimate of resources devoted to the identified service area including estimates for allocations based on employee time and usage of space.

Advertising Costs

Advertising costs are expensed as incurred. Total advertising and public relations expense totaled \$114,085 for the year ended June 30, 2022.

THRIVE ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax Status

The Organization constitutes a qualified, nonprofit organization under Section 501(c)(3) of the Internal Revenue Code, and is, therefore, exempt from all federal and state income taxes.

Prior Year Summarized Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Recent Accounting Pronouncements

Leases

The FASB has issued new guidance on the recognition of lease assets and lease liabilities by lessees for those leases previously classified as operating leases. The guidance requires a lessee to recognize in the statement of financial position a liability to make lease payments and a right-of-use asset representing its right to use the underlying asset for the lease term. When measuring assets and liabilities arising from a lease, a lessee (and a lessor) should include payments to be made in optional periods only if the lessee is reasonably certain to exercise an option to extend the lease or not to exercise an option to terminate the lease. Similarly, optional payments to purchase the underlying asset should be included in the measurement of lease assets and lease liabilities only if the lessee is reasonably certain to exercise that purchase option. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities.

If a lessee makes this election, it should recognize lease expense for such leases generally on a straight-line basis over the lease term. There continues to be a differentiation between finance leases and operating leases. However, the principal difference from previous guidance is that the lease assets and lease liabilities arising from operating leases should be recognized in the statement of financial position. The guidance will be required for the Organization's June 30, 2023 year-end.

Concentration of Credit Risk

The Organization's cash balances are maintained at one bank. The bank provides maximum protection under regulations issued by the Federal Deposit Insurance Corporation (FDIC). For the year ended June 30, 2022, there were uninsured deposits.

THRIVE ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principles

In September 2020, FASB issued Accounting Standards (ASU) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU was issued to improve the transparency of contributed nonfinancial assets through enhancements to presentation and disclosure. The amendment to this ASU requires Not-for-Profits to (1) present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets and (2) include a disclosure of the disaggregation of the amount of contributed nonfinancial assets recognized by category that depicts the type of contributed nonfinancial assets. No cumulative-effect adjustment in net assets was recorded as a result of the adoption.

NOTE 3 LINE OF CREDIT

During the year ended June 30, 2022, the Organization maintained a revolving loan agreement with its bank with a maximum credit limit of \$300,000. The line of credit is secured by a lien on the Organization's real estate. The line of credit is payable on demand and bears interest at the effective interest rate of 5.75% (index of 4.75% plus 1%) at June 30, 2022. There was \$-0- outstanding balance on this revolving loan agreement at June 30, 2022.

NOTE 4 REVENUE AND NET ASSETS WITH DONOR RESTRICTIONS

Net assets are released from donor restrictions by incurring expenses or capital expenditures satisfying the restricted purposes or by occurrence of other events specified by donors. It is the Organization's policy to recognize the release of donor restrictions for gifts received for long-lived assets when the long-lived asset is received or placed in service. If restricted revenue is received in the same reporting period in which it is spent, the revenue is shown as an increase in net assets without donor restrictions.

NOTE 5 NONFINANCIAL CONTRIBUTIONS

Donated services of \$41,165 have been reflected in the financial statements at June 30, 2022, as support and revenue and program service expense, since volunteers who have undergone specialized training in medicine, law, counseling, and other professional services have donated significant amounts of their time in the Organization's program services. The value of these services was determined by using an established or actual, if available, hourly wage which is deemed to be a fair estimate. In total, the Organization received over 3,447 of specialized and nonspecialized volunteer hours during the year ended June 30, 2022.

THRIVE ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 NONFINANCIAL CONTRIBUTIONS (CONTINUED)

In addition, donated gifts in kind, including items such as diapers, baby wipes, supplies, clothing, delivery services, advertising, etc., totaled \$163,679 for the year ended June 30, 2022. All donated services and items are used by the Organization, not monetized, and did not have donor-imposed restrictions associated with them. The Organization estimates the fair value of donated in-kind goods and services on the basis of estimates of the current market rates for similar goods and services in the Organization's market. A summary of nonfinancial assets contributed is as follows:

Nonfinancial Contributions:	
Radio Advertising	\$ 57,600
Other Advertising	55,800
Baby Items, Clothing, Diapers, Furniture	18,165
Annual Dinner Contributions	23,800
Computers and Other	8,314
Contributed Goods	<u>163,679</u>
Medical Volunteers	41,165
Total	<u><u>\$ 204,844</u></u>

NOTE 6 LEASE OBLIGATIONS

Operating Leases

The Organization has operating leases expiring at various dates through 2027 for buildings its various locations used for community service programs and administrative facilities. Total rent expense for the year ended June 30, 2022 was \$84,215.

The Organization also has operating leases for various office equipment. These leases expire in September 2026. Total expense for the year ended June 30, 2022 was \$9,600.

The future minimum payments on operating leases as of June 30, 2022, are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 73,314
2024	68,558
2025	43,728
2026	35,728
2027	25,596
Total	<u><u>\$ 246,924</u></u>

NOTE 7 RETIREMENT PLAN

The Organization maintains a tax-qualified 401(k) deferred retirement plan. The plan provides for employer matching contributions up to 3% of employee compensation. Expenses related to the plan totaled \$17,997 for the year ended June 30, 2022.

THRIVE ST. LOUIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 INCOME TAXES

The Organization has adopted FASB ASC 740-10, *Income Taxes*, as it relates to uncertain tax positions and has evaluated their tax positions taken for all open tax years. The Organization is not currently under audit, nor has it been contacted by the Internal Revenue Service.

Based on the evaluation of the Organization's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded as of June 30, 2022.

NOTE 9 LIQUIDITY AND AVAILABILITY

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 at June 30, 2022:

Financial Assets:	
Cash	\$ 2,047,278
Contract and Grant Receivables	<u>101,707</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u><u>\$ 2,148,985</u></u>

The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. A line of credit with a maximum borrowing of \$300,000 is available for general expenditures during the year ending June 30, 2022, as are ongoing donations and program service revenue.

NOTE 10 SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through January 23, 2023, the date that the financial statements were available to be issued.

