WATER TO THRIVE

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT

YEARS ENDED DECEMBER 31, 2017 AND 2016

TABLE OF CONTENTS

Gindler, Chappell, Morrison & Co. P.C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Water to Thrive
Austin, Texas

We have audited the accompanying financial statements of Water to Thrive (a nonprofit organization) which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities, 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 of 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 Water to Thrive as of December 31, 2017 and 2016, 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.

Gindler, Chappell, Morrison & Co., P.C.
Austin, Texas
December 31, 2018

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FINANCIAL STATEMENTS

WATER TO THRIVE

STATEMENTS OF FINANCIAL POSISTION

December 31, 2017 and 2016

	2017	2016
ASSETS		
Current assets		
Cash and cash equivalents	$ 241,661	$ 125,269
Receivables		
Trust - current, net	38,831	38,070
Contributions and other	31,060	7,188
Related party	2,800	1,408
Inventory	9,438	9,602
Current portion of note receivable - DTE	15,684	14,198
Prepaid expenses	8,504	11,011
Total current assets	347,978	206,746
Cash - restricted	85,428	178,740
Non-current assets		
Trust receivable - non-current, net	288,197	302,124
Notes receivable - DTE	26,532	42,217
Total non-current assets	314,729	344,341
Fixed assets		
Computer equipment	7,830	7,830
Website costs	13,113	10,563
Less accumulated depreciation	(16,780)	(16,698)
Net fixed assets	4,163	1,695
Total assets	$ 752,298	$ 731,522
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	$ 40,112	$ 73,121
Accrued expenses	11,633	17,529
Accrued vacation payable	8,906	4,874
Deferred revenue	16,500	7,000
Note payable - current portion	15,577	14,455
Total current liabilities	92,728	116,979
Note payable - long-term portion	26,439	44,849
Total liabilities	119,167	161,828
Net assets		
Unrestricted net assets		
Available for current operations	124,325	168,912
Investment in fixed assets	4,163	1,695
Total unrestricted net assets	128,488	170,607
Temporarily restricted net assets	504,643	399,087
Permanently restricted net assets	-	-
Total net assets	633,131	569,694
Total liabilities and net assets	$ 752,298	$ 731,522

See accompanying Notes to Financial Statements.

WATER TO THRIVE

STATEMENTS OF ACTIVITIES

Year Ended December 31, 2017

	2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES AND OTHER SUPPORT				
Contributions	$ 196,953	$ 590,246	$ -	$ 787,199
Change in value of split-interest agreement	-	26,834	-	26,834
Other income	40,577	-	-	40,577
Fund raising activities				
Gross fund raising	206,887	-	-	206,887
Direct benefit to donors	(45,867)	-	-	(45,867)
Net fund raising activities	161,020	-	-	161,020
Merchandise sales				
Gross sales	9,507	-	-	9,507
Cost of goods sold	(9,353)	-	-	(9,353)
Net merchandise sales	154	-	-	154
Net assets released from donor imposed restrictions	511,524	(511,524)	-	-
Total revenues and other support	910,228	105,556	-	1,015,784
EXPENSES				
Program services	694,021	-	-	694,021
Supporting services				
Management and general	85,461	-	-	85,461
Fund raising	172,865	-	-	172,865
Total expenses	952,347	-	-	952,347
CHANGE IN NET ASSETS (decrease)	(42,119)	105,556	-	63,437
NET ASSETS				
Beginning of year	170,607	399,087	-	569,694
End of year	$ 128,488	$ 504,643	$ -	$ 633,131

See accompanying Notes to Financial Statements.

WATER TO THRIVE

STATEMENTS OF ACTIVITIES - continued

Year Ended December 31, 2016

	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES AND OTHER SUPPORT				
Contributions	$ 177,842	$ 539,586	$ -	$ 717,428
Grants and contracts	4,000	55,915	-	59,915
Change in value of split-interest agreement	-	16,604	-	16,604
Other income	39,047	-	-	39,047
Fund raising activities				
Gross fund raising	200,378		-	200,378
Direct benefit to donors	(41,962)	-	-	(41,962)
Net fund raising activities	158,416	-	-	158,416
Merchandise sales				
Gross sales	6,720	-	-	6,720
Cost of goods sold	(5,485)	-	-	(5,485)
Net merchandise sales	1,235	-	-	1,235
Net assets released from donor imposed restrictions	697,803	(697,803)	-	-
Total revenues and other support	1,078,343	(85,698)	-	992,645
EXPENSES				
Program services	906,563	-	-	906,563
Supporting services				
Management and general	112,794	-	-	112,794
Fund raising	83,725	-	-	83,725
Total expenses	1,103,082	-	-	1,103,082
CHANGE IN NET ASSETS (decrease)	(24,739)	(85,698)	-	(110,437)
NET ASSETS				
Beginning of year	195,346	484,785	-	680,131
End of year	$ 170,607	$ 399,087	$ -	$ 569,694

See accompanying Notes to Financial Statements.

WATER TO THRIVE

STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended December 31, 2017

	Water Projects	Management and General	Fund Raising	Total
EXPENSES				
Salaries	$ 81,542	$ 46,902	$ 89,806	$ 218,250
Payroll taxes	6,803	3,874	7,473	18,150
Total personnel costs	88,345	50,776	97,279	236,400
Water projects	543,302	-	-	543,302
Occupancy	46,502	6,643	13,288	66,433
Advertising	-	10,489	15,574	26,063
Office	6,846	1,441	2,209	10,496
Professional fees	-	6,700	-	6,700
Bank service charges	1,250	1,740	3,079	6,069
Travel and entertainment	1,188	555	3,887	5,630
Printing and publication	922	1,152	2,535	4,609
Miscellaneous	1,276	1,652	1,386	4,314
Postage and shipping	807	807	2,421	4,035
Dues and subscriptions	1,982	1,601	228	3,811
Supplies	1,601	229	455	2,285
Insurance	-	1,545	-	1,545
Conferences and meetings	-	-	1,505	1,505
Special events	-	-	11,929	11,929
Depreciation	-	83	-	83
Property taxes	-	48	-	48
Mission travel fund	-	-	17,090	17,090
Total expenses	$ 694,021	$ 85,461	$ 172,865	$ 952,347

See accompanying Notes to Financial Statements.

WATER TO THRIVE

STATEMENTS OF FUNCTIONAL EXPENSES - continued

Year Ended December 31, 2016

	2016			
	Water Projects	Management and General	Fund Raising	Total
EXPENSES				
Salaries	$ 100,669	$ 74,872	$ 24,278	$ 199,819
Payroll taxes	8,740	6,500	2,108	17,348
Total personnel costs	109,409	81,372	26,386	217,167
Water projects	675,533	-	-	675,533
Occupancy	37,171	5,310	10,619	53,100
Advertising	-	9,962	14,942	24,904
Office	13,607	2,205	3,887	19,699
Professional fees	-	6,800	-	6,800
Bank service charges	4,506	358	1,468	6,332
Travel and entertainment	877	438	4,867	6,182
Printing and publication	1,047	1,309	2,879	5,235
Postage and shipping	904	904	2,858	4,666
Dues and subscriptions	-	1,766	-	1,766
Supplies	3,018	431	862	4,311
Insurance	-	1,560	-	1,560
Conferences and meetings	-	-	1,345	1,345
Mission travel fund	59,251	-	-	59,251
Special events	-	-	13,209	13,209
Depreciation	896	65	320	1,281
Miscellaneous	344	256	83	683
Property taxes	-	58	-	58
Total expenses	$ 906,563	$ 112,794	$ 83,725	$ 1,103,082

See accompanying Notes to Financial Statements.

WATER TO THRIVE

STATEMENT OF CASH FLOW

Years Ended December 31, 2017 and 2016

	2017	2016
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Change in net assets	$ 63,437	$ (110,437)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	83	1,281
Amortization of discount on split-interest agreement	(26,834)	(16,604)
(Increase) decrease in operating assets		
Receivables		
Trust	40,000	40,000
Contributions and other	(23,872)	58,641
Related party	(1,392)	7,092
Inventory	164	(819)
Prepaid expenses	2,508	24,882
(Increase) decrease in restricted cash	93,312	58,664
Increase (decrease) in operating liabilities		
Accounts payable	(33,011)	3,402
Accrued liabilities	(5,896)	13,903
Accrued vacation payable	4,032	560
Deferred revenue	9,500	(2,757)
Net cash provided by operating activities	122,031	77,808
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		
Purchase of fixed assets	(2,550)	-
Net cash provided by investing activities	(2,550)	-
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Proceed from note payable	-	63,000
Principle payments on notes payable	(14,455)	(33,696)
Distribution of note receivable	-	(63,000)
Payments from notes receivable	12,730	6,586
Net cash provided by investing activities	(1,725)	(27,110)
NET INCREASE (DECREASE) IN CASH	117,756	50,698
CASH AND CASH EQUIVALENTS		
Beginning of year	125,269	74,571
End of year	$ 243,025	$ 125,269
Supplemental Information		
Interest paid	$ 3,911	$ -

See accompanying Notes to Financial Statements.

NOTE 1: DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Organization

Water to Thrive (the "Organization"), was established in 2008. The Organization is a non-profit organization whose mission is to provide fresh water wells to impoverished areas in developing countries through non-governmental organizations and partners. The Organization is dedicated to spreading awareness of the global water crisis while raising funds needed to construct water wells for those who need them in rural Africa.

The mission is accomplished by:

- In the US, the Organization works with individuals, churches, corporate offices, and schools to raise funds.
- The Organization then partners with African Non-governmental organizations to implement water work.

The Organization's revenue is primarily generated from special events and individual contributions.

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization believes it is no longer subject to examination by the IRS for years prior to 2014.

Summary of Significant Accounting Policies

Accounting Estimates: The preparation of financial statements in conformity with U. S. 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.

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

Method of Accounting: The Organization uses the accrual basis method of accounting. Using this method of accounting, revenue and support and receivables are reported when funds are considered earned, regardless of when cash is received. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods or for specific purposes are considered temporarily restricted or permanently restricted and increases those net asset classes. Conditional promises to give are not reported until the condition is met. Expenses and accounts payable are reported when an obligation is incurred, regardless of when cash is disbursed. All expenses are reported as reductions in unrestricted net assets.

Fair Value Measurements: Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Church measures and discloses fair value measurements in accordance with the following general valuation techniques.

1. Market approach (Level 1) - uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources;

NOTE 1: DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Fair Value Measurements: - continued

2. Cost approach (Level 2) - based on the amount that currently would be required to replace the service capacity of an asset (replacement cost); and

3. Income approach (Level 3) - uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts (includes present value techniques and option-pricing models). Net present value is an income approach where a stream of expected cash flows is discounted at an appropriate market interest rate.

Changes in fair value of financial instruments and unrealized gains or losses on financial instruments are reported in the statement of activities. Investment income is reported as an increase in unrestricted net assets unless a donor or law temporarily or permanently restricts their use.

Net Assets Classes: The Organization reports the following net assets classes.

Permanently restricted net assets: The part of the net assets of a not-for-profit organization resulting from contributions whose use by an organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of an organization are considered permanently restricted net assets. An example of a permanently restricted net asset would be the donation of funds (or other assets) to an organization in which the donor imposed a restriction that the funds not be expended, but that the organization would be permitted to use or expend part or all of the income (or other economic benefit) derived from the donation.

Temporarily restricted net assets: Not-for-profit organizations receive contributions and other resources whose use is limited by stipulations that are more specific than the broad limits resulting from the nature and purpose of the organization and its programs. Resources (net assets) with such stipulations that either expire by passage of time or can be fulfilled by actions of an organization are reported as temporarily restricted net assets.

Unrestricted net assets: Resources not included in the above categories are considered unrestricted net assets. While these resources are reported as unrestricted, an organization manages them in compliance with its exempt purposes, Board of Director designations, legal requirements, and contractual obligations.

Allocation of Costs: The Organization allocates common costs between program services, management and general, and fund raising expenses based on management's estimate of the costs related to each of the Organization's activities. The estimates are reviewed and adjusted periodically to reflect changes in the activities of the Organization. The allocation of costs reported in the financial statements is considered a significant accounting estimate. The estimate may be adjusted as more current information becomes available and any adjustment could be significant.

Fixed Assets: Purchased fixed assets are capitalized at cost if the value of the item is more than $1,000 and the estimated useful service life of the item is more than one year. Donated fixed assets are capitalized at fair value. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Depreciation expense is computed over the estimated useful service life of the asset (3 to 7 years) using the straight line method of computation.

NOTE 1: DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Fixed Assets: - continued
Depreciation expense reported is considered a significant accounting estimate. The estimate may be adjusted as more current information becomes available and any adjustment could be significant. Routine repairs and maintenance are expensed as incurred.

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. During the year, the Organization did not adjust the carrying amount of any fixed assets.

Receivables: Receivables consist of grants and promises to give. Receivables are stated net of an allowance for doubtful accounts. The Organization estimates the allowance based on an analysis of the donors, taking into consideration the age of past due amounts and an assessment of the donor's ability to pay. At December 31, 2017 and 2016, management determined that the receivables were fully collectible; therefore, no allowance for uncollectible accounts was considered necessary. The estimate may be adjusted as more current information becomes available and any adjustment could be significant.

Charitable Lead Trust: The Organization's beneficial interest in a charitable lead unitrust was recorded as temporarily restricted net assets when the Organization was notified of the trust's existence. The assets for the contribution receivable from the trust consist of investments that are held and managed by a trustee. The Organization has no control over those assets. The contribution receivable is reported at fair value, which is estimated using an income approach based on assumptions developed by the Organization about the future distributions it will receive from the trust. Changes in the fair value of the contribution receivable are reflected in the temporarily restricted class of net assets. Distributions from the trust are reflected as reductions in the contribution receivable and reclassifications from temporarily restricted to unrestricted net assets.

Inventory: Inventories consist of coffee, clothing and jewelry and are valued at the lower of cost or market on a first-in, first-out basis.

Subsequent Events: Management has evaluated subsequent events through the date of the *Independent Auditor's Report*, which is the date the financial statements were available to be issued and no events have occurred from the statement of financial position date through that date that would require disclosure in the financial statements.

Reclassifications: Certain reclassifications have been made to the prior year financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

NOTE 2: RESTRICTED CASH

The Organization holds donor-designated "restricted" cash. This account is increased by any funds stipulated by donors to be designated to water projects, and cash is released as water project expense is incurred. The ending balance of restricted cash at December 31, 2017 and 2016 was $85,428 and $178,740, respectively.

NOTE 3: FAIR VALUE MEASUREMENT

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Charitable lead trust receivable				
December 31, 2017	$ 327,028	$ -	$ -	$ 327,028
December 31, 2016	$ 340,194	$ -	$ -	$ 340,194

The Organization recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended December 31, 2017 and 2016.

NOTE 4: PLEDGES RECEIVABLES

The Organization received promises to give and other receivables with a duration of one year or less in the amount of $46,744 and $21,385 in 2017 and 2016, respectively.

NOTE 5: NOTE RECEIVABLE

In 2016, the Organization entered into an agreement with Diversity Tours Ethiopia (DTE) to loan DTE $63,000 to assist with the purchase of three vehicles under an incentive program sponsored by the Ministry of Culture and Tourism of Ethiopia. The repayment of the note consists of a fixed monthly amount as well as in-kind services. The in-kind services to be received from DTE are the monthly utilization of the vehicles up to 10 days, with the availability of an additional 20 days a year for donor trips. Based on the fair value of the vehicle rental, the Organization estimates the actual utilization of the in-kind services will be approximately 70 days per year. Additionally, the agreement has no stated interest rate for the repayment. Based on the terms, the imputed interest rate is 10%.

The note receivable is reported in the financial statements as following:

	2017	2016
Note receivable from an entity, dated February 20, 2016, original amount $63,000, imputed interest accrues monthly at 10%, with a maturity of date of June 1, 2020, collateral is a vehicle.	$ 42,216	$ 56,414
Less current portion	(15,684)	(14,198)
Long-term receivable, net current portion	$ 26,532	$ 42,216

Estimated annual maturity due from the receivable is the following: 2018- $16,804; 2019- $15,143, and $-0- thereafter.

NOTE 5: NOTE RECEIVABLE – continued

The maturity of the receivable is based on receiving the following anticipated amounts:

Year	Cash	In-Kind Value	Total
2018	-	8,400	8,400
2019	9,747	8,400	18,147
2020	-	5,400	5,400
	$ 9,747	$ 22,200	$ 31,947

NOTE 6: CHARITABLE LEAD TRUST SPLIT-INTEREST AGREEMENT

During 2012, a donor established a trust with a bank naming the Organization as the lead beneficiary of a charitable lead unitrust. Under terms of the split-interest agreement, the Organization is to receive an annual distribution equal to $40,000 annually for 15 years beginning in 2013. On an annual basis, the Organization remeasures the estimated fair value of the contribution receivable based on applicable discount rate of 4%. The Organization received $40,000 per year from the trust in 2017 and 2016, which was recorded as a reduction in the receivable and a corresponding reclassification from temporarily restricted to unrestricted net assets. Detail of the trust receivable is as follows:

	Total	
	2017	2016
Trust receivable current	$ 38,831	$ 38,070
Trust receivable non-current	288,197	302,124
Net trust receivable	$ 327,028	$ 340,194
Amount due in:		
Less than one year	40,000	$ 40,000
One to five years	200,000	200,000
Thereafter	160,000	200,000
Total	400,000	440,000
Less present value adjustment	(72,972)	(99,806)
Net trust receivable	$ 327,028	$ 340,194

NOTE 7: RELATED PARTY TRANSACTION

Water to Thrive receives administrative and executive services and office space from a company for which a board member of the Organization serves as an executive officer. The services and office space provided essentially constitute an employee leasing arrangement. Water to Thrive is charged $36,000 per year, $5,250 for office space and $30,750 for services. During 2016, Water to Thrive paid the related party $36,000 per year for services provided.

January 1, 2016 Enovate Enterprise, LLC entered into a business service agreement with Water to Thrive to provide office space, and administrative and executive services. Enovate Enterprise will pay Water to Thrive $3,000 per month. During the years 2017 and 2016, $36,000 was paid to Water to Thrive for services provided and office space. Enovate Enterprise purchased $1,142 and $763 in coffee during 2017 and 2016, respectively.

NOTE 7: RELATED PARTY TRANSACTION - Continued

Water to Thrive recognized revenue for coffee purchased from an affiliate, Ziggy's Cafe and Bakery, for which a board member of the Organization serves as an executive officer. During 2017 and 2016, Water to Thrive received revenue from the related party of $2,107 and $2,137, respectively.

In 2016, Water to Thrive made an interest free loan to one of its board members in the amount of $5,000. At year-end 2016 and the funds were received, the receivable balance was $-0-.

Water to Thrive provides administrative and executive services to Ziggy's café. Ziggy's café reimburses Water to Thrive for these services. During 2017 and 2016, Ziggy's café paid $17, 183 and $16,033 for services. Water to Thrive billed $15,989 and $17,276, during 2017 and 2016, respectively, resulting in a receivable balance for services in the amount of $6,765 and $4,089, respectively at each year end.

NOTE 8: NOTE PAYABLE

A private foundation has provided an unsecured, interest-free note totaling $25,000 for the Organization's down payment on a joint well project. Principal on the note is due in full at completion of the project, estimated during 2016. The note payable is reported in the statement of financial position at December 31, 2017. October 2016, this amount was refunded due to the project being cancelled.

In order to provide the funds to DTE, the Organization entered into an unsecured agreement with another party to provide financing. The Organization borrowed $63,000 for loan to DTE, and also financed the $5,000 origination fee associated with the loan. The note also requires an annual maintenance fee of $1,000. The note payable in the financial statements as following:

	2017	2016
Note payable from a financial institution, dated June 1, 2016, original amount $68,000, unsecured, interest accrues monthly at 7.5%, with a maturity of date of June 1, 2020.	$ 42,016	$ 59,304
Less current portion	(15,577)	(14,455)
Long-term debt, net current portion	$ 26,439	$ 44,849

The estimated annual maturity due on the long-term debt at December 31, 2017 is as follows: 2019- $18,256; 2020- $11,016 and $-0- thereafter.

NOTE 9: COMMITMENTS – OPERATING LEASES

In 2015, the Organization entered into a five year operating lease for office space, which commenced November 1, 2015. Obligations represented by operating leases are not reported as liabilities in financial statements. Estimated future minimum rental payments under the lease are as follows: 2018- $38,907; 2019- $40,095; 2020 - $41,283; 2021 - $10,395 and $-0- thereafter.

NOTE 10: TEMPORARILY RESTRICTED NET ASSETS

Net assets released from restrictions imposed by funding sources and donors due to the Organization's actions, such as grant or contract compliance or with the expiration of time restrictions during 2017 and 2016 were $511,524 and $697,803, respectively. These funds are considered net assets released from donor imposed restrictions and are reported as transfers from temporarily restricted net assets to unrestricted net assets in the statement of activities.

At year end, Water to Thrive had the following temporarily restricted net assets in the form of cash or receivables.

Funding Source	**2017**	2016	Restrictions Imposed by Funding Source
Contributions	$ 139,503	$ 53,554	Water Projects
Contributions	33,037	4,422	Mission Travel
Annuity trust	326,266	340,194	Time Restriction
Wheat Ridge Ministries	917	917	Human Care Initiatives
Contributions	4,158	-	Desk Project
Total	$ 503,881	$ 399,087	

NOTE 11: OFF BALANCE SHEET CREDIT RISK

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash and money market account balances. The Organization does not require collateral against any excess deposits. At times the cash balances may excess federally insured deposit limits. The Organization places its cash with high quality financial institutions and continuously monitors their financial instruments for any indication of nonperformance and do not expect any institutions to fail to meet their obligations.