

Financial Statements

Habitat for Horses, Inc.

December 31, 2020



Katherine Overbeck Maxwell, CPA, PLLC

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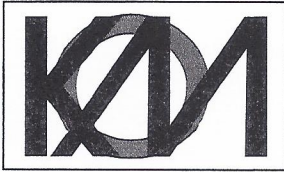
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Habitat for Horses, Inc.

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Katherine Overbeck Maxwell, PLLC
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Habitat for Horses, Inc.

We have audited the accompanying financial statements of Habitat for Horses, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows 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 Habitat for Horses, Inc. as of December 31, 2020, 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.

Emphasis of Matter

As described in Note 6 to the financial statements, an accounting error was noted subsequent to the release of the audited financial statements on August 19, 2021. A loan received from the Small Business Administration (SBA) was recorded as revenue instead of a note payable and as a result both net income and year-end net assets were overstated. An adjustment was made to correct this error and a revised financial statement reissued.

Report on Summarized Comparative Information

We have previously audited Habitat for Horses, Inc.'s 2019 financial statements, and in our report dated July 2, 2020, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent in all material respects, with the audited financial statements from which it has been derived.

Katherine Overbeck Maxwell, CPA, PLLC

Katherine Overbeck Maxwell, CPA, PLLC

Galveston, Texas

January 13, 2022

Habitat for Horses, Inc.
Statement of Financial Position
December 31, 2020

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and Cash Equivalents	\$ 385,714	\$ 126,991
Accounts Receivable, net	53,230	30,139
Investment	514,765	538,249
Prepaid Expenses	<u>8,346</u>	<u>8,044</u>
Total Current Assets	962,055	703,423
Property and Equipment, net of Accumulated Depreciation of \$511,006	<u>2,474,444</u>	<u>2,521,821</u>
TOTAL ASSETS	\$ <u><u>3,436,499</u></u>	\$ <u><u>3,225,244</u></u>
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 10,453	\$ 191,769
Credit Cards	6,200	55,191
Payroll Liabilities	13,128	6,390
AgAmerica Note Payable		
Principal Amount	886,531	940,596
Less: Unamortized Loan Issurance Cost	(440)	(4,470)
Notes Payable, net	<u>886,091</u>	<u>936,126</u>
Total Current Liabilities	<u>915,872</u>	<u>1,189,476</u>
Non-Current Liabilities		
SBA Note Payable	150,000	-
TOTAL LIABILITIES	\$ <u><u>1,065,872</u></u>	\$ <u><u>1,189,476</u></u>
NET ASSETS		
Without Donor Restrictions	<u>2,370,627</u>	<u>2,035,768</u>
TOTAL NET ASSETS	<u>2,370,627</u>	<u>2,035,768</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u><u>3,436,499</u></u>	\$ <u><u>3,225,244</u></u>

See accompanying notes to the financial statements

Habitat for Horses, Inc.
Statement of Activities
For the Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
OPERATING ACTIVITIES:		
REVENUE AND OTHER SUPPORT		
Contributions	\$ 1,519,046	\$ 955,680
Contributions in Kind	-	1,300
Grants	172,350	22,000
Adoption Fees	16,623	14,135
Merchandise Sales, Net	(18,484)	(1,545)
Bingo Income	129,229	143,811
Gain (Loss) on Sals of Assets	(7,231)	5,335
Other Income	6,305	23,499
TOTAL REVENUE AND OTHER SUPPORT	\$ <u>1,817,838</u>	\$ <u>1,164,215</u>
EXPENSES		
Program	\$ 1,360,965	\$ 1,425,466
Management & General	91,523	105,375
Fundraising	78,029	53,795
TOTAL EXPENSES	\$ <u>1,530,517</u>	\$ <u>1,584,636</u>
CHANGE IN NET ASSETS FROM OPERATIONS	287,321	(420,421)
NON-OPERATING ACTIVITIES:		
Investment Return, net	47,538	92,734
TOTAL NONOPERATING ACTIVITIES	<u>47,538</u>	<u>92,734</u>
CHANGE IN NET ASSETS	334,859	(327,687)
NET ASSETS, BEGINNING OF YEAR	<u>2,035,768</u>	<u>2,363,455</u>
NET ASSETS, END OF YEAR	\$ <u>2,370,627</u>	\$ <u>2,035,768</u>

See accompanying notes to the financial statements

Habitat for Horses, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2020

	2020			2019	
	Program Services	Management & General	Fundraising	Total	Total
EXPENSES					
Payroll Expense	\$ 307,401	\$ 36,165	\$ 18,082	\$ 361,648	\$ 343,469
Payroll Tax Expense	23,828	2,803	1,402	28,033	26,726
Employee Benefits	44,357	5,218	2,609	52,184	37,595
Total Salaries & Related Expenses	375,586	44,186	22,093	441,865	407,790
Advertising	-	-	48	48	692
Bank Charges	11,559	-	-	11,559	14,006
Computer and Software	6,127	-	-	6,127	4,016
Educational Expenses	299,676	-	-	299,676	299,542
Horse Expenses	286,603	-	-	286,603	421,547
Insurance	21,055	-	-	21,055	41,224
Interest	32,522	13,938	-	46,460	73,521
License and Permits	-	-	4,589	4,589	6,293
Miscellaneous	-	321	-	321	15,595
Office Expenses	6,377	9,566	-	15,943	13,367
Professional Fees	32,062	23,512	51,299	106,873	55,044
Ranch Expenses	53,115	-	-	53,115	40,925
Repairs and Maintenance	41,499	-	-	41,499	28,000
Postage	-	-	-	-	18,930
Telephone and Internet	19,343	-	-	19,343	3,183
Travel, Meals, Entertainment	153	-	-	153	783
Utilities	5,189	-	-	5,189	520
Veterinarian Expenses	37,960	-	-	37,960	33,863
Federal Income Taxes	67,887	-	-	67,887	25,360
Other Taxes	2,197	-	-	2,197	1,489
Depreciation	58,025	-	-	58,025	72,645
Amortization	4,030	-	-	4,030	6,301
TOTAL EXPENSES	\$ 1,360,965	\$ 91,523	\$ 78,029	\$ 1,530,517	\$ 1,584,636

See accompanying notes to the financial statements

Habitat for Horses, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (Decrease) in Net Assets	\$ 334,859	\$ (327,687)
Adjustments to Reconcile Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation and Amortization	62,055	78,946
Net of Realized and Unrealized (Gains) Losses on Investments	(35,111)	(78,666)
Realized (Gains) Losses on Sale of Fixed Assets	7,231	(5,335)
(Increase) Decrease in Accounts Receivable	(23,091)	(28,395)
(Increase) Decrease in Prepaid Expenses	(302)	135
(Increase) Decrease in Other Assets	-	1,700
(Increase) Decrease in Loan Cost	-	(3,902)
Increase (Decrease) in Accounts Payable	(181,316)	92,731
Increase (Decrease) in Credit Cards	(68,349)	(52,871)
Increase (Decrease) in Payroll Liabilities	6,738	6,318
Net Cash Provided by (Used in) Operating Activities	<u>102,714</u>	<u>(317,026)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Sale of Investments	244,085	304,880
Purchase of Investments	(237,792)	(261,115)
Proceeds from Sale Property and Equipment	22,250	268,449
Purchase of Property and Equipment	(40,129)	(66,263)
Retirement of Equipment	71,659	-
Net Cash Provided by (Used in) Investing Activities	<u>60,074</u>	<u>245,951</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Note Payable	150,000	-
Payment of Note Payable	(54,065)	(21,929)
Net Cash Provided by (Used in) Financing Activities	<u>95,935</u>	<u>(21,929)</u>
NET INCREASE (DECREASE) IN CASH	258,723	(93,004)
CASH AND CASH EQUIVALENT, BEGINNING OF YEAR	<u>126,991</u>	<u>219,995</u>
CASH AND CASH EQUIVALENT, END OF YEAR	<u><u>\$ 385,714</u></u>	<u><u>\$ 126,991</u></u>
Supplemental Cash Flow Information:		
Cash Paid for Interest	\$ 46,460	\$ 73,522
Cash Paid for Income Taxes	\$ 67,887	\$ 25,360

See accompanying notes to the financial statements

Habitat for Horses, Inc.
Notes to the Financial Statements
December 31, 2020

NOTE 1 – DESCRIPTION OF THE ORGANIZATION

Habitat for Horses, Inc. (the Organization) is a not-for-profit organization incorporated in the State of Texas in 1998 and is exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code.

The purpose of the Organization is a) To promote and secure the safety, well-being, and health of horses. b) To encourage education concerning the physical and mental health of horses. c) To utilize horses in the growth and mental health of humans, either adult or children, through education, demonstration and connection. d) To study, promote, and enhance the proper training of horses through positive training techniques. e) To provide a home for those horses who are no longer able to be productive. f) To return to health, if possible, those owned horses that are deemed sick or injured.

The Organization is supported primarily through private and corporate contributions, membership fees, and revenue from adoptions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”), which require the Organization to report information regarding its financial position and activities according to the following net asset classification:

Net Assets without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization’s management and the board of directors. At December 31, 2020 and 2019, the Organization had net assets without donor restrictions of \$2,370,627 and \$2,035,768 respectively.

Net Assets with Donor Restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. There are no net assets with donor restrictions at December 31, 2020 and 2019, respectively.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization’s ongoing horse services and interests and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Habitat for Horses, Inc.
Notes to the Financial Statements
December 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Organization's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except for those amounts that are held in the investment portfolio which are invested for long-term purposes. Cash is held in both interest bearing and non-interest-bearing demand accounts. The cash balance at December 31, 2020 and 2019 was \$385,714 and \$126,991, respectively.

Concentrations of Credit Risk

The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The cash balances are insured by the FDIC for up to \$250,000 per account. The Organization has not experienced, nor does it anticipate, any loss with respect to such accounts. As of December 31, 2020, and 2019, there was no uninsured cash balance.

Accounts Receivable

Accounts receivable is stated at unpaid restitution balances. An allowance for doubtful accounts in the amount of \$0 and \$3,074 was recorded at December 31, 2020 and 2019, respectively.

Pledges Receivable

Pledges receivable that are expected to be collected within one year are recorded at net realizable value. Amounts expected to be collected in more than one year are discounted to estimate the present value of future cash flows. The Organization does not have any pledges receivable as of December 31, 2020 and 2019, respectively.

Property and Equipment

Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The useful lives range from five to twenty-five years. The Organization's policy is to capitalize all purchases and non-cash donations greater than \$5,000 and expense normal repairs and maintenance as incurred. Gains and losses on retired or sold property and equipment are reflected in the change in net assets for the period.

Investment

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statement of financial position, and changes in fair value are reported as investment return in the statement of activities. Purchase and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

Habitat for Horses, Inc.
Notes to the Financial Statements
December 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment (Continued)

The Organization owns a twenty percent (20%) stake in King Bingo Trust which does not have a readily determinable fair value. Therefore, the value of the investment is calculated based on income reports issued by the trust and distributions received by the trust during the year.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Organization groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- | | |
|---------|---|
| Level 1 | Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date. |
| Level 2 | Other observable inputs, either directly or indirectly, including: <ul style="list-style-type: none">• Quoted prices for similar assets/liabilities in active markets;• Quoted prices for identical or similar assets in non-active markets;• Inputs other than quoted prices that are observable for the asset/liability; and,• Inputs that are derived principally from or corroborated by other observable market data. |
| Level 3 | Unobservable inputs that cannot be corroborated by observable market data. |

For the year ended December 31, 2020 and 2019, all investments are grouped as Level 1 with the exception of investment in King Bingo Trust which is grouped as Level 3.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Habitat for Horses, Inc.
Notes to the Financial Statements
December 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions (Continued)

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

In-Kind Donations

A substantial number of volunteers have made significant contributions of their time in furtherance of the Organization's mission. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

Functional Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expense that are allocated include salaries and benefits, professional fees, office, and postage, which are allocated on the basis of estimates of time and effort, as well as interest, which is allocated on a square-footage basis.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Income Tax Status

The Organization is exempt from income tax under IRS section 501(c)(3) and is classified as a public charity under IRS section 509(a)(1) and section 170(b)(1)(A)(vi). However, it is subject to tax on income unrelated to its exempt purpose as Unrelated Business Income (UBI), unless that income is otherwise excluded by the Code. Due to the UBI, income tax expense of \$67,887 and \$25,360 was incurred as of December 31, 2020 and 2019, respectively.

New Accounting Pronouncement

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization adopted ASU 2016-14 in 2018 and was applied retrospectively to all periods presented.

Habitat for Horses, Inc.
Notes to the Financial Statements
December 31, 2020

NOTE 3 – AVAILABILITY OF FINANCIAL ASSETS

The Organization's goal is generally to maintain financial assets to meet its operating expenses needs. The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

	<u>2020</u>	<u>2019</u>
Financial assets at year end:		
Cash and Cash Equivalents	\$ 385,714	\$ 126,991
Accounts Receivable	53,230	30,139
Investments	<u>514,765</u>	<u>538,249</u>
Total Financial Assets	<u>\$ 953,709</u>	<u>\$ 695,379</u>

The Organization's liquidity management strategy involves maintaining enough financial assets to cover general expenditures, liabilities, and other obligations.

NOTE 4 - INVESTMENTS

The following is a summary of investments at December 31, 2020 and 2019:

	<u>2020</u>		<u>2019</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
UBS Investments:				
Cash	\$ 15,087	\$ 15,087	\$ 9,264	\$ 9,264
Equities	270,614	337,420	292,395	337,371
Fixed Income	102,275	108,194	119,613	123,731
Subtotal	<u>387,976</u>	<u>460,700</u>	<u>421,272</u>	<u>470,366</u>
Other Investments:				
Kings Bingo Trust	54,064	54,064	67,883	67,883
Total	<u>\$ 442,040</u>	<u>\$ 514,765</u>	<u>\$ 489,154</u>	<u>\$ 538,249</u>

Investments in general, are exposed to various risks such as interest rate, credit, and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported on the financial statements.

The following schedule summarizes the investment return in the Statement of Activities for the year ended December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Dividends	\$ 16,431	\$ 18,715
Interest	145	197
Net realized gains (losses)	11,481	1,428
Net unrealized gains (losses)	23,631	77,238
Investment management fees	(4,149)	(4,844)
Total investment return, net	<u>\$ 47,538</u>	<u>\$ 92,734</u>

Habitat for Horses, Inc.
Notes to the Financial Statements
December 31, 2020

NOTE 5 – OTHER INVESTMENTS

The Organization initially invested \$50,000 for a twenty percent (20%) ownership stake of Kings Bingo Trust which operates a bingo hall in Webster, Texas. Proceeds from operations go to benefit five local charities including the Organization. As of December 31, 2020 and 2019, the Organization received income distribution of \$129,229 and \$143,811, respectively. The investment in Kings Bingo Trust is valued at \$54,064.

NOTE 6 – ACCOUNTING ERROR

An accounting error was identified subsequent to issuing the current year financial statements. The Organization received a loan of \$150,000 from the Small Business Administration (SBA) during the year and it was incorrectly recorded as revenue instead of a note payable. As a result, both net income and year-end net assets were overstated by the \$150,000. An adjustment was made to correctly reclassify this amount from revenue to note payable which decreased current year revenue and increased liabilities by \$150,000. Both net income and year-end net assets were also decreased by the same amount.

NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2020 and 2019 are as follows:

Description	Dec 31, 2019	Additions	Retirements	Dec 31, 2020
Land	\$ 2,110,000	-	-	\$ 2,110,000
Hay Equipment	287,897	-	(40,000)	247,897
Computer Equipment	3,405	-	-	3,405
Ranch Equipment	181,999	30,400	(7,500)	204,900
Buildings and Improvements	372,010	9,728	(63,659)	318,080
Medical Equipment	32,545	-	(500)	32,045
Vehicles	31,584	-	-	31,584
Machinery	37,540	-	-	37,540
Total Property & Equipment	<u>3,056,980</u>	<u>40,129</u>	<u>(111,659)</u>	<u>2,985,450</u>
Less Accumulated Depreciation	<u>(535,159)</u>	<u>(58,025)</u>	<u>82,178</u>	<u>(511,006)</u>
Property & Equipment, Net	<u>\$ 2,521,821</u>	<u>\$ (17,896)</u>	<u>\$ (29,481)</u>	<u>\$ 2,474,444</u>

For the year ended December 31, 2020 and 2019, depreciation expense was \$58,025 and \$72,645, respectively.

Habitat for Horses, Inc.
Notes to the Financial Statements
December 31, 2020

NOTE 8 – NOTES PAYABLE

AgAmerica Loan

The Organization has an obligation under notes payable to a financial institution. The original note is dated January 23, 2018 and has a face amount of \$1,000,000 with a 7.1375% interest rate. It is secured by ranch property. The promissory note was amended and restated on December 20, 2019 and the amended date of maturity is December 1, 2022. The loan is a variable interest-rate loan with the interest computed on a 30-day month divided by a 360-day year. The Principal balance as of December 31, 2020 and 2019 was \$1,036,531 and \$940,596, respectively.

SBA Loan

The Organization received a secured 30-year Small Business Administration (SBA) loan with a face amount of \$150,000 on May, 30, 2020. The terms of the agreement included an interest rate of 2.75% per annum which is accrued only on funds actually advanced from the date (s) of each advance. Installment payments of \$641 per month (principal and interest) will begin twelve months from the date of the agreement. The loan balance at December 31, 2020 was \$150,000.

NOTE 9 – RETIREMENT CONTRIBUTIONS

Employees of the Organization can participate in the Habitat for Horses, Inc. 401K Plan. Employees are eligible to participate after reaching the age of twenty-one and completing one year of service. Matching contributions made by the Organization are at its discretion. Contributions to the Plan by the Organization totaled \$28,863 and \$9,611 as of December 31, 2020 and 2019, respectively.

NOTE 10 – COMPARATIVE FINANCIAL INFORMATION

These financial statements include certain prior-year summarized comparative information in total but not by net asset class. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

NOTE 11 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 13, 2022, which is the date the financial statements were available to be issued.