

ODD MAN INN ANIMAL REFUGE

FINANCIAL STATEMENTS

DECEMBER 31, 2022

ODD MAN INN ANIMAL REFUGE

TABLE OF CONTENTS

DECEMBER 31, 2022

	PAGES
INTRODUCTORY SECTION	
Board of Directors.....	1
Independent Auditor's Report.....	2-3
FINANCIAL SECTION	
Statement of Financial Position.....	4
Statement of Activities.....	5
Statement of Functional Expenses.....	6
Statement of Cash Flows.....	7
Notes to Financial Statements.....	8-11

ODD MAN INN ANIMAL REFUGE

INTRODUCTORY SECTION

DECEMBER 31, 2022

**ODD MAN INN ANIMAL REFUGE
BOARD OF DIRECTORS
DECEMBER 31, 2022**

NAME	POSITION
Jacklyn Lahav	President
Pamela Maciel Cabañas	Vice President
Michael Pearce	Treasurer
Varun Rathi	Secretary

CERTIFIED PUBLIC ACCOUNTANTS

Joe Savage
Rebecca Hutsell

Stephen J. Parsons - Retired
Earl O. Wright - 1988 - 2002
William R. Scandlyn - 1988 - 1999

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Odd Man Inn Animal Refuge
Jamestown, Tennessee

Opinion

We have audited the accompanying financial statements of [Odd Man Inn Animal Refuge](#) (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the years 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 [Odd Man Inn Animal Refuge](#) as of December 31, 2022 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of [Odd Man Inn Animal Refuge](#) and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 [Odd Man Inn Animal Refuge's](#) ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 generally accepted auditing standards 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.

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In performing an audit in accordance with generally accepted auditing standards, 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 [Odd Man Inn Animal Refuge'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 [Odd Man Inn Animal Refuge'](#) 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

Parsons & Wright, CPAs

Parsons & Wright
Certified Public Accountants
Kingston, Tennessee

[August 25, 2023](#)

ODD MAN INN ANIMAL REFUGE

FINANCIAL SECTION

DECEMBER 31, 2022

**ODD MAN INN ANIMAL REFUGE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022**

	<u>December 31, 2022</u>
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 521,572
Prepaid Insurance	<u>1,980</u>
Total Current Assets	\$ <u>523,552</u>
PROPERTY AND EQUIPMENT	
Land	\$ 265,888
Buildings and Improvements	273,461
Furniture, Fixtures, & Equipment	184,908
Vehicles	137,574
Construction In Progress	<u>35,000</u>
Total Property and Equipment	\$ 896,831
Less: Accumulated Depreciation	<u>(86,145)</u>
Net Property and Equipment	\$ <u>810,686</u>
OTHER ASSETS	
Intangible Assets	\$ 16,960
Less: Accumulated Amortization	<u>(2,772)</u>
Total Other Assets	\$ <u>14,188</u>
TOTAL ASSETS	\$ <u>1,348,426</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable and Credit Cards	\$ 25,466
Current Portion	<u>12,041</u>
Total Current Liabilities	\$ <u>37,507</u>
LONG-TERM LIABILITIES	
Farm Credit Mortgage	212,046
Less: Current Portion	<u>(12,041)</u>
Total Long-Term Liabilities	\$ <u>200,005</u>
TOTAL LIABILITIES	\$ <u>237,512</u>
NET ASSETS	
Without Donor Restrictions	\$ 1,110,914
With Donor Restrictions	<u>0</u>
Total Net Assets	\$ <u>1,110,914</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>1,348,426</u>

The accompanying notes are an integral part of these financial statements.

**ODD MAN INN ANIMAL REFUGE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>December 31, 2022</u>
	<u>Unrestricted</u>
REVENUES AND SUPPORT	
Grants	\$ 33,645
Contributions	768,402
Interest Income	3,992
Fundraising	96,611
Other Income	<u>8,166</u>
TOTAL REVENUE AND SUPPORT	<u>\$ 910,816</u>
EXPENSES	
Program Expense	\$ <u>371,870</u>
<i>Total Program Expense</i>	<u>\$ 371,870</u>
SUPPORT SERVICES	
General and Administrative	\$ 140,779
Fundraising	<u>37,918</u>
<i>Total Support Services</i>	<u>\$ 178,697</u>
TOTAL EXPENSES	<u>\$ 550,567</u>
CHANGE IN NET ASSETS	\$ 360,249
NET ASSETS, BEGINNING OF YEAR	<u>750,665</u>
NET ASSETS, END OF YEAR	<u><u>\$ 1,110,914</u></u>

The accompanying notes are an integral part of these financial statements.

**ODD MAN INN ANIMAL REFUGE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL
Fuel	\$ 39,914	\$ 0	\$ 0	\$ 39,914
Utilities	0	15,668	0	15,668
Barn Supplies	25,320	0	0	25,320
Taxes & Licensing	0	762	0	762
Postage and Shipping	0	6,225	0	6,225
Repairs	2,834	0	0	2,834
Animal Housing	2,368	0	0	2,368
Travel	0	7,543	0	7,543
Feed	115,656	0	0	115,656
Professional Fees	74,018	9,586	0	83,604
Insurance	0	15,630	0	15,630
Vet & Medicine	98,182	0	0	98,182
Auto Expense	0	7,663	0	7,663
Advertising	0	0	6,170	6,170
Bank & Credit Card Fees	0	28	0	28
Office Expense	0	1,072	0	1,072
Miscellaneous	13,578	3,172	19,588	36,338
Interest	0	10,318	0	10,318
Merchandise	0	0	12,160	12,160
Amortization	0	1,696	0	1,696
Depreciation	0	61,416	0	61,416
Total	\$ 371,870	\$ 140,779	\$ 37,918	\$ 550,567
In Kind Expense	0	0	0	0
TOTAL EXPENSES	\$ 371,870	\$ 140,779	\$ 37,918	\$ 550,567

The accompanying notes are an integral part of these financial statements.

**ODD MAN INN ANIMAL REFUGE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>December 31, 2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ 360,249
<i>Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:</i>	
Depreciation & Amortization	63,112
Gain on Disposal	(4,628)
Changes in Assets and Liabilities:	
(Increase) Decrease in Prepaid Insurance	(710)
Increase (Decrease) in Accounts Payable and Credit Cards	<u>5,886</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$ <u>423,909</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Received on Sale of Assets	\$ 14,600
Purchase of Fixed Assets	<u>(304,809)</u>
<i>Net Cash Provided by (Used for) Investing Activities</i>	\$ <u>(290,209)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal Mortgage Payments	\$ <u>(11,535)</u>
<i>Net Cash Provided (Used for) Financing Activities</i>	\$ <u>(11,535)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 122,165
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>399,407</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ <u>521,572</u>

The accompanying notes are an integral part of these financial statements.

**ODD MAN INN ANIMAL REFUGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Nature of Activities

Odd Man Inn Animal Refuge is a nonprofit organization that provides services and support to vulnerable farmed animals in need of physical assistance as well as education and awareness to the general public about the health and environmental impacts of animal agriculture.

2. Basis of Accounting

It is the policy of Odd Man Inn Animal Refuge to prepare its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. The accrual basis of accounting recognizes the significance and accountability of financial transactions, events and allocations as they occur.

3. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly-liquid instruments purchased with a maturity of three months or less to be cash equivalents. The cash total of \$521,572 is comprised of the following:

	December 31, 2022
CASH	
Operating Accounts	\$ 501,374
Fundraising Accounts	20,198
TOTAL CASH	\$ 521,572

At December 31, 2022, the carrying amount of the Organization's deposits (checking and savings) was \$521,572. The bank balances as of December 31, 2022 was \$501,035. Of the balance, \$250,000 was covered by National Credit Union Administration (NCUA). The balance of \$251,035 is uncollateralized.

4. Support and Revenue

Odd Man Inn Animal Refuge is primarily supported by private donor funding, which occasionally includes corporate matching donations. They also receive funding from private grants, subscription programs, merchandise sales, and online special offerings.

5. Estimates

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

6. Contributions

Contributions are recorded as support when cash or other assets are received. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Gifts of cash and other assets that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period as the contributions are received and reported as unrestricted support.

**ODD MAN INN ANIMAL REFUGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

7. Income Taxes

Income taxes are excluded since the Odd Man Inn Animal Refuge is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. The information returns for tax years 2020, 2021 and 2022 are considered open and are subject to examination from taxing authorities. As of December 31, 2022, the Organization has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

8. Fixed Assets

Property and equipment are recorded at cost at the date of acquisition or fair value at the date of donation, in the case of gifts. Depreciation of property and equipment is provided on a straight-line basis over the estimated useful lives of the related assets, which is five years for equipment and thirty years for building and improvements. Expenditures for maintenance and repairs are charged to expense as incurred.

9. Contingencies

In the normal course of business, the Organization is subject to various disputes and claims, and there are uncertainties surrounding the ultimate resolution of these matters. The Organization's exposure in these matters is substantially mitigated by commercial insurance coverage.

10. Functional Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

11. Financial Statement Presentation

Net assets represent the difference between a nonprofit organization's assets and liabilities. In accordance with ASU No. 2016-14, net assets are classified into two classes; Net Assets Without Donor Restrictions and Net Assets With Donor Restrictions.

12. Statement of Cash Flows

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Organization did not pay any income taxes in 2022. The total interest paid by the Organization at December 31, 2022 was \$10,318.

13. Advertising

Advertising costs are expensed when paid. There were \$6,170 in advertising expenses for the year ended December 31, 2022.

NOTE B – GRANTS RECEIVABLE

As of December 31, 2022, there were no grants receivable.

**ODD MAN INN ANIMAL REFUGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE C – FIXED ASSETS

Statement of additions and retirements to fixed assets as of December 31, 2022:

	<u>BALANCE</u> <u>1/1/2022</u>	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCE</u> <u>12/31/2022</u>
Buildings and Improvements	\$ 111,007	\$ 162,454	\$ 0	\$ 273,461
Furniture, Fixtures & Equip.	102,520	94,388	(12,000)	184,908
Vehicles	70,980	71,494	(4,900)	137,574
TOTAL DEPRECIABLE ASSETS	\$ 284,507	\$ 328,336	\$ (16,900)	\$ 595,943
Land	\$ 265,888	\$ 0	\$ 0	\$ 265,888
Construction in Progress	58,527	0	(23,527)	35,000
TOTAL NONDEPRECIABLE ASSETS	\$ 324,415	\$ 0	\$ (23,527)	\$ 300,888

<u>ACCUMULATED DEPRECIATION</u>	<u>BALANCE</u> <u>1/1/2022</u>	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCE</u> <u>12/31/2022</u>
Buildings and Improvements	\$ 8,052	\$ 18,765	\$ 0	\$ 26,817
Furniture, Fixtures & Equip.	14,894	23,656	(4,770)	33,780
Vehicles	8,711	18,995	(2,158)	25,548
TOTAL DEPRECIATION	\$ 31,657	\$ 61,416	\$ (6,928)	\$ 86,145
Total Land, Plant & Equipment	577,265	266,920	(33,499)	810,686

NOTE D – DONATED SERVICES AND IN-KIND EXPENSE

The Organization has volunteers that provide physical assistance in the facility. The hours spent at the facility are recorded at a rate of \$15 per hour. The total of donated services is recorded as in-kind expense.

NOTE E- LONG TERM DEBT

The Organization is liable for a mortgage financed through Farm Credit Mid America and it is secured by the piece of property in Fentress County that is owned and operated by the Organization.

<u>LENDER /</u> <u>DESCRIPTION</u>	<u>BALANCE</u> <u>12/31/2021</u>	<u>SECURE</u> <u>D</u> <u>BY</u>	<u>INT.</u> <u>RATE</u>	<u>YEAR</u> <u>OF</u> <u>MATURITY</u>	<u>LOAN</u> <u>PROCEEDS</u>	<u>PRINCIPAL</u> <u>PAYMENTS</u> <u>MADE</u>	<u>BALANCE</u> <u>12/31/2022</u>
USDA Rural Development Loan	\$ 223,581	ASSETS	* 4.30%	8/17/2036	231,000	11,535 \$	212,046
TOTAL BONDS	\$ 223,581						\$ 212,046
Less: Current Portion							(12,041)
TOTAL LONG-TERM DEBT							\$ 200,005

**ODD MAN INN ANIMAL REFUGE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE E- LONG TERM DEBT – CONTINUED

<u>December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2023	12,041	8,882	20,923
2024	12,569	8,354	20,923
2025	13,120	7,803	20,923
2026	13,696	7,228	20,924
2027	14,296	6,627	20,923
2028-2032	81,455	23,162	104,617
2033-2036	64,869	4,876	69,745
TOTAL	\$ 212,046	\$ 66,932	\$ 278,978

NOTE F – AVAILABILITY OF FINANCIAL ASSETS

The table below reflects the Organization’s financial assets as of the statement of financial position date, reduced by amounts that are not available for general use due to contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts that are not available also include board designated amounts that could be utilized if the Board of Directors approved the use. As of December 31, 2022, there are not any designations.

Financial Assets, at year-end	
Cash in Bank-Undesignated	\$ 521,572
Total Financial Assets, at year-end	\$ 521,572
Less Those Unavailable for General Expenditures within one year, due to:	
	<u>0</u>
Financial Assets Available to Meet Cash Needs for General Expenditures within one year	\$ <u>521,572</u>

NOTE G– CONCENTRATION OF CREDIT RISKS

The Organization receives most of its funding from private donors and grants. These are always subject to vary but the Organization works closely with donors in order to continue to secure donations.

NOTE H – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through August 25, 2023 which is the date the financial statements were available to be issued. The Organization did not note any events that required disclosure through the date of the financial statements.