

ODD MAN INN ANIMAL REFUGE

FINANCIAL STATEMENTS

DECEMBER 31, 2023

ODD MAN INN ANIMAL REFUGE

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ODD MAN INN ANIMAL REFUGE

INTRODUCTORY SECTION

DECEMBER 31, 2023

**ODD MAN INN ANIMAL REFUGE
BOARD OF DIRECTORS
DECEMBER 31, 2023**

| NAME | POSITION |
|-----------------------|----------------|
| Jacklyn Lahav | President |
| Pamela Maciel Cabañas | Vice President |
| Michael Pearce | Treasurer |
| Varun Rathi | Secretary |
| Susann Sullivan-Aden | Director |

CERTIFIED PUBLIC ACCOUNTANTS

Joe Savage
Rebecca HutsellStephen 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 statement of financial position as of December 31, 2023, 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 [Odd Man Inn Animal Refuge](#) as of December 31, 2023 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'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

Parsons & Wright, CPAs

Parsons & Wright
Certified Public Accountants
Kingston, Tennessee

[September 5, 2024](#)

ODD MAN INN ANIMAL REFUGE

FINANCIAL SECTION

DECEMBER 31, 2023

**ODD MAN INN ANIMAL REFUGE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023**

| | <u>December 31, 2023</u> |
|---|------------------------------|
| ASSETS | |
| CURRENT ASSETS | |
| Cash and Cash Equivalents | \$ 57,800 |
| Prepaid Insurance | 3,435 |
| Total Current Assets | <u>\$ 61,235</u> |
| PROPERTY AND EQUIPMENT | |
| Land | \$ 265,888 |
| Buildings and Improvements | 419,234 |
| Furniture, Fixtures, & Equipment | 161,408 |
| Vehicles | 149,783 |
| Construction In Progress | 8,000 |
| Total Property and Equipment | <u>\$ 1,004,313</u> |
| Less: Accumulated Depreciation | <u>(159,294)</u> |
| Net Property and Equipment | <u>\$ 845,019</u> |
| OTHER ASSETS | |
| Investments | \$ 519,193 |
| Intangible Assets | 16,960 |
| Less: Accumulated Amortization | <u>(4,468)</u> |
| Total Other Assets | <u>\$ 531,685</u> |
| TOTAL ASSETS | <u><u>\$ 1,437,939</u></u> |
| LIABILITIES AND NET ASSETS | |
| CURRENT LIABILITIES | |
| Accounts Payable and Credit Cards | \$ 14,084 |
| Wages Payable | 3,513 |
| Payroll Taxes Payable | 1,968 |
| Accrued Interest Payable | 717 |
| Current Portion | 12,569 |
| Total Current Liabilities | <u>\$ 32,851</u> |
| LONG-TERM LIABILITIES | |
| Farm Credit Mortgage | 200,005 |
| Less: Current Portion | <u>\$ (12,569)</u> |
| Total Long-Term Liabilities | <u>\$ 187,436</u> |
| TOTAL LIABILITIES | <u>\$ 220,287</u> |
| NET ASSETS | |
| Without Donor Restrictions | \$ 1,217,652 |
| With Donor Restrictions | <u>0</u> |
| Total Net Assets | <u>\$ 1,217,652</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$ 1,437,939</u></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, 2023**

| | <u>December 31, 2023</u> |
|--------------------------------------|-----------------------------------|
| | <u>Unrestricted</u> |
| REVENUES AND SUPPORT | |
| Grants | \$ 41,599 |
| Contributions | 750,267 |
| Interest & Dividend Income | 23,078 |
| Fundraising | 24,245 |
| Realized Gain/Loss on Sale of Assets | 2,460 |
| Unrealized Gain/Loss on Investments | 2,209 |
| Other Income | <u>3,945</u> |
| TOTAL REVENUE AND SUPPORT | \$ <u>847,803</u> |
| EXPENSES | |
| Program Expense | \$ <u>301,996</u> |
| <i>Total Program Expense</i> | \$ <u>301,996</u> |
| SUPPORT SERVICES | |
| General and Administrative | \$ 381,240 |
| Fundraising | <u>41,231</u> |
| <i>Total Support Services</i> | \$ <u>422,471</u> |
| TOTAL EXPENSES | \$ <u>724,467</u> |
| CHANGE IN NET ASSETS | \$ 123,336 |
| NET ASSETS, BEGINNING OF YEAR | <u>1,094,316</u> |
| NET ASSETS, END OF YEAR | \$ <u><u>1,217,652</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, 2023**

| | PROGRAM SERVICES | MANAGEMENT AND GENERAL | FUNDRAISING | TOTAL |
|-------------------------|-----------------------------|-----------------------------------|--------------------|-------------------|
| Fuel | \$ 23,741 | \$ 0 | \$ 0 | \$ 23,741 |
| Utilities | 0 | 13,057 | 0 | 13,057 |
| Barn Supplies | 21,981 | 0 | 0 | 21,981 |
| Taxes & Licensing | 0 | 14,523 | 0 | 14,523 |
| Postage and Shipping | 0 | 8,975 | 0 | 8,975 |
| Repairs | 27,631 | 0 | 0 | 27,631 |
| Animal Housing | 3,675 | 0 | 0 | 3,675 |
| Travel | 0 | 5,255 | 0 | 5,255 |
| Feed | 70,240 | 0 | 0 | 70,240 |
| Professional Fees | 6,150 | 28,902 | 0 | 35,052 |
| Salaries & Wages | 0 | 159,513 | 0 | 159,513 |
| Insurance | 0 | 19,450 | 0 | 19,450 |
| Vet & Medicine | 126,159 | 0 | 0 | 126,159 |
| Auto Expense | 0 | 27,271 | 0 | 27,271 |
| Advertising | 0 | 0 | 9,910 | 9,910 |
| Bank & Credit Card Fees | 0 | 111 | 0 | 111 |
| Office Expense | 0 | 3,721 | 0 | 3,721 |
| Miscellaneous | 22,419 | 3,581 | 24,548 | 50,548 |
| Interest | 0 | 10,886 | 0 | 10,886 |
| Merchandise | 0 | 0 | 6,773 | 6,773 |
| Amortization | 0 | 1,696 | 0 | 1,696 |
| Depreciation | 0 | 84,299 | 0 | 84,299 |
| Total | \$ 301,996 | \$ 381,240 | \$ 41,231 | \$ 724,467 |
| In Kind Expense | 0 | 0 | 0 | 0 |
| TOTAL EXPENSES | \$ 301,996 | \$ 381,240 | \$ 41,231 | \$ 724,467 |

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, 2023**

| | December 31, 2023 |
|--|--------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Change in Net Assets | \$ 123,336 |
| <i>Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:</i> | |
| Depreciation & Amortization | 85,995 |
| Gain on Disposal | (2,460) |
| Unrealized (Gain)/Loss on Securities | (2,209) |
| Changes in Assets and Liabilities: | |
| (Increase) Decrease in Prepaid Insurance | (1,455) |
| Increase (Decrease) in Accounts Payable and Credit Cards | (11,382) |
| Increase (Decrease) in Wages Payable | 3,513 |
| Increase (Decrease) in Payroll Taxes Payable | 1,968 |
| Increase (Decrease) in Accrued Interest Payable | 717 |
| <i>Net Cash Provided by (Used for) Operating Activities</i> | \$ <u>198,023</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Transfer of Cash from Operating to Investments Accounts | \$ (497,000) |
| Purchase of Investments | (19,984) |
| Cash Received on Sale of Assets | 18,852 |
| Purchase of Fixed Assets | <u>(151,622)</u> |
| <i>Net Cash Provided by (Used for) Investing Activities</i> | \$ <u>(649,754)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | |
| Principal Mortgage Payments | \$ <u>(12,041)</u> |
| <i>Net Cash Provided (Used for) Financing Activities</i> | \$ <u>(12,041)</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | \$ (463,772) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | <u>521,572</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | \$ <u><u>57,800</u></u> |

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**ODD MAN INN ANIMAL REFUGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

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 \$57,800 is comprised of the following:

| | December 31, 2023 |
|----------------------|----------------------|
| CASH | |
| Operating Accounts | \$ 48,782 |
| Fundraising Accounts | 9,018 |
| TOTAL CASH | <u>\$ 57,800</u> |

At December 31, 2023, the carrying amount of the Organization's deposits (checking and savings) was \$57,800. The bank balance as of December 31, 2023 was \$58,553. Of the balance, \$250,000 was covered by National Credit Union Administration (NCUA) with no amount that is not collateralized.

4. Investments

Investments in marketable securities with readily determined fair values are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in net assets, as a portion of investment returns. As of December 31, 2023 total investments held at Vanguard were valued at \$519,193.

5. 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.

6. 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.

7. 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

**ODD MAN INN ANIMAL REFUGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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.

8. 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 2021, 2022 and 2023 are considered open and are subject to examination from taxing authorities. As of December 31, 2023, the Organization has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

9. 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.

10. 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.

11. 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.

12. 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.

13. 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 2023. The total interest paid by the Organization at December 31, 2023 was \$10,886.

14. Advertising

Advertising costs are expensed when paid. There were \$9,910 in advertising expenses for the year ended December 31, 2023.

15. Net Assets

Beginning Net Assets has been reduced in order to account for assets that were removed from the organization's asset listing in previous years but not removed from the trial balance.

**ODD MAN INN ANIMAL REFUGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE B – GRANTS RECEIVABLE

As of December 31, 2023, there were no grants receivable.

NOTE C – FIXED ASSETS

Statement of additions and retirements to fixed assets as of December 31, 2023:

| | BALANCE | | ADDITIONS | | RETIREMENTS | | BALANCE |
|---------------------------------------|-------------------|-----------|------------------|-----------|--------------------|-----------|-------------------|
| | 1/1/2023 | | | | | | 12/31/2023 |
| Building and Improvements | 273,461 | | 145,773 | | 0 | | 419,234 |
| Furniture, Fixtures & Equip. | 184,908 | | 7,500 | | (31,000) | | 161,408 |
| Vehicles | 137,574 | | 25,349 | | (13,140) | | 149,783 |
| TOTAL DEPRECIABLE ASSETS | \$ 595,943 | \$ | 178,622 | \$ | (44,140) | \$ | 730,425 |
| Land | \$ 265,888 | \$ | 0 | \$ | 0 | \$ | 265,888 |
| Construction in Progress | 35,000 | | 127,167 | | (154,167) | | 8,000 |
| TOTAL NONDEPRECIABLE ASSETS | \$ 300,888 | \$ | 127,167 | \$ | (154,167) | \$ | 273,888 |
| | | | | | | | |
| | BALANCE | | ADDITIONS | | RETIREMENTS | | BALANCE |
| ACCUMULATED DEPRECIATION | 1/1/2023 | | | | | | 12/31/2023 |
| Building and Improvements | \$ 26,817 | \$ | 28,255 | \$ | 0 | \$ | 55,072 |
| Furniture, Fixtures & Equip. | 33,780 | | 27,797 | | (11,150) | | 50,427 |
| Vehicles | 25,548 | | 28,247 | | | | 53,795 |
| TOTAL DEPRECIATION | \$ 86,145 | \$ | 84,299 | \$ | (11,150) | \$ | 159,294 |
| Total Land, Plant & Equip. | \$ 810,686 | \$ | 221,490 | \$ | (187,157) | \$ | 845,019 |

In addition to the above schedule, the Organization is amortizing costs for the land and prior organization purchase of \$16,960 over the course of 10 years. This asset will be fully amortized by 2031.

**ODD MAN INN ANIMAL REFUGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE D- 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 / DESCRIPTION</u> | <u>BALANCE 12/31/2022</u> | <u>SECURED BY</u> | <u>INT. RATE</u> | <u>YEAR OF MATURITY</u> | <u>LOAN PROCEEDS</u> | <u>PRINCIPAL PAYMENTS MADE</u> | <u>BALANCE 12/31/2023</u> |
|-----------------------------------|-------------------------------|-----------------------|----------------------|---------------------------------|--------------------------|--|-------------------------------|
| USDA Rural Development Loan | \$ 212,046 | ASSETS * | 4.30% | 8/17/2036 | 231,000 | 12,041 \$ | 200,005 |
| TOTAL BONDS | <u>\$ 212,046</u> | | | | | | <u>\$ 200,005</u> |
| Less: Current Portion | | | | | | | <u>(12,569)</u> |
| TOTAL LONG-TERM DEBT | | | | | | | <u>\$ 187,436</u> |

| <u>December 31,</u> | <u>Principal Payments</u> | <u>Interest Payments</u> | <u>Total Payments</u> |
|---------------------|---------------------------|--------------------------|-----------------------|
| 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 | <u>64,869</u> | <u>4,876</u> | <u>69,745</u> |
| TOTAL | <u>\$ 200,005</u> | <u>\$ 58,050</u> | <u>\$ 258,055</u> |

NOTE E – 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, 2023, there were no designations.

| | |
|---|------------------|
| Financial Assets, at year-end | |
| Cash in Bank-Undesignated | \$ <u>57,800</u> |
| Total Financial Assets, at year-end | \$ 57,800 |
| 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>57,800</u> |

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

**ODD MAN INN ANIMAL REFUGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE F– 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 G – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through September 5, 2024 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.