

**THOROUGHBRED RETIREMENT FOUNDATION, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2023 AND 2022**

THOROUGHBRED RETIREMENT FOUNDATION, INC.

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1-3
Statements of Financial Position December 31, 2023 and 2022	4
Statement of Activities and Changes in Net Assets For the Years Ended December 31, 2023 and 2022	5-6
Statement of Functional Expenses For the Years Ended December 31, 2023 and 2022	7-8
Statement of Cash Flows For the Years Ended December 31, 2023 and 2022	9
Notes to Financial Statements	10-22
Supplemental Schedules	
Summary Schedule of Revenue and Expenses by Location For the Years Ended December 31, 2023 and 2022	23-24
Schedule of Program Expenses by Location For the Years Ended December 31, 2023 and 2022	25-26
Schedule of General and Administrative Expenses by Location For the Years Ended December 31, 2023 and 2022	27-28
Schedule of Fundraising Expenses by Location For the Years Ended December 31, 2023 and 2022	29-30



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Thoroughbred Retirement Foundation, Inc.

Opinion

We have audited the accompanying financial statements of Thoroughbred Retirement Foundation, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023 and the related statement of activities and changes in net assets, 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 Thoroughbred Retirement Foundation, Inc. as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Thoroughbred Retirement Foundation, Inc. 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.

Prior Period Financial Statements

The financial statements of Thoroughbred Retirement Foundation, Inc. as of December 31, 2022 were audited by other auditors whose report dated March 20, 2023 expressed an unmodified opinion on those statements.

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 Thoroughbred Retirement Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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 Thoroughbred Retirement Foundation, Inc.'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 Thoroughbred Retirement Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Summary Schedule of Revenue and Expenses by Location, Schedule of Program Expenses by Location, Schedule of General and Administrative Expenses by Location, and Schedule of Fundraising Expenses by Location for the years ending December 31, 2023 and 2022 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The Green Group

LEONARD C. GREEN & CO., PA
DBA THE GREEN GROUP
Certified Public Accountants

Woodbridge, New Jersey
August 5, 2024

Thoroughbred Retirement Foundation, Inc.
Statements of Financial Position
December 31, 2023 and 2022

ASSETS		
	2023	2022
Current Assets		
Cash and Cash Equivalents	\$ 288,541	\$ 316,604
Restricted Cash	186,425	220,139
Contribution Receivables	81,443	71,164
Prepaid Expenses	12,197	11,236
Short-Term Investments	1,293,208	770,706
Long-Term Investments	9,467,898	8,481,515
Fixed Assets, Net of Depreciation	208,512	185,831
Operating Lease Right of Use Asset, net	25,455	45,819
	<u>\$ 11,563,679</u>	<u>\$ 10,103,014</u>
Total assets		
	<u>\$ 11,563,679</u>	<u>\$ 10,103,014</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 193,465	\$ 164,064
Current Portion Note Payable	7,368	7,074
Operating Lease Liability, Current Portion	20,916	20,079
	<u>221,749</u>	<u>191,217</u>
Total Current Liabilities		
	<u>221,749</u>	<u>191,217</u>
Long-Term Liabilities		
Note Payable, Less Current Portion	13,683	21,073
Noncurrent Operating Lease Liabilities, Less Current Portion	5,361	26,277
Total Long-Term Liabilities	<u>19,044</u>	<u>47,350</u>
Total Liabilities	<u>240,793</u>	<u>238,567</u>
Net Assets		
Without Donor Restrictions	1,707,699	1,162,793
With Donor Restrictions	9,615,187	8,701,654
	<u>11,322,886</u>	<u>9,864,447</u>
Total Net Assets		
	<u>11,322,886</u>	<u>9,864,447</u>
Total Liabilities and Net Assets	<u>\$ 11,563,679</u>	<u>\$ 10,103,014</u>
	<u>\$ 11,563,679</u>	<u>\$ 10,103,014</u>

Thoroughbred Retirement Foundation, Inc.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions	\$ 1,537,217	\$ -	\$ 1,537,217
Bequests	444,244		444,244
In-Kind Contributions	87,950	-	87,950
Grants	273,236	-	273,236
Special Events			
Revenues	256,755	-	256,755
Less: Expenses	(186,757)	-	(186,757)
Total Unrestricted Support and Revenue	<u>2,412,645</u>	<u>-</u>	<u>2,412,645</u>
Other Revenue			
Investment Return, net	36,769	1,410,459	1,447,228
Net Assets Released from Restriction			
Appropriation from Donor Endowment	424,076	(424,076)	-
Expiration of Time Restriction	72,850	(72,850)	-
Total Other Revenue	<u>533,695</u>	<u>913,533</u>	<u>1,447,228</u>
Total Support and Revenue	<u>2,946,340</u>	<u>913,533</u>	<u>3,859,873</u>
Expenses			
Program Services	1,561,423	-	1,561,423
Supporting Services			
General and Administrative	389,632	-	389,632
Fundraising	450,379	-	450,379
Total Expenses	<u>2,401,434</u>	<u>-</u>	<u>2,401,434</u>
Change in net assets from operations	544,906	913,533	1,458,439
Net assets at beginning of year	<u>1,162,793</u>	<u>8,701,654</u>	<u>9,864,447</u>
Net assets at end of year	<u>\$ 1,707,699</u>	<u>\$ 9,615,187</u>	<u>\$ 11,322,886</u>

Thoroughbred Retirement Foundation, Inc.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions	\$ 1,442,330	\$ -	\$ 1,442,330
Bequests	32,704	-	32,704
In-Kind Contributions	37,754	-	37,754
Grants	286,062	-	286,062
Miscellaneous Income	2,400	-	2,400
Special Events			
Revenues	162,226	-	162,226
Less: Expenses	(55,653)	-	(55,653)
Gain on Sale of Fixed Assets	1,437	-	1,437
Total Unrestricted Support and Revenue	<u>1,909,260</u>	<u>-</u>	<u>1,909,260</u>
Other Revenue			
Investment Return, net	(6,293)	(1,244,694)	(1,250,987)
Net Assets Released from Restriction			
Appropriation from Donor Endowment	511,906	(511,906)	-
Expiration of Time Restriction	107,400	(107,400)	-
Total Other Revenue	<u>613,013</u>	<u>(1,864,000)</u>	<u>(1,250,987)</u>
Total Support and Revenue	<u>2,522,273</u>	<u>(1,864,000)</u>	<u>658,273</u>
Expenses			
Program Services	1,488,127	-	1,488,127
Supporting Services			
General and Administrative	310,403	-	310,403
Fundraising	464,850	-	464,850
Total Expenses	<u>2,263,380</u>	<u>-</u>	<u>2,263,380</u>
Change in net assets from operations	258,893	(1,864,000)	(1,605,107)
Net assets at beginning of year	<u>903,900</u>	<u>10,565,654</u>	<u>11,469,554</u>
Net assets at end of year	<u>\$ 1,162,793</u>	<u>\$ 8,701,654</u>	<u>\$ 9,864,447</u>

Thoroughbred Retirement Foundation, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2023

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Direct Benefit to Donors</u>	<u>Total Expenses</u>
Accounting	\$ -	\$ 62,775	\$ -	\$ -	\$ 62,775
Advertising	1,337	387	17,178	-	18,902
Appeal and Book	-	-	3,972	-	3,972
Bank Charges	-	4,297	19,798	-	24,095
Blacksmith	66,983	-	-	-	66,983
Board	336,588	-	-	-	336,588
Contract Labor	31,062	18,860	49,355	-	99,277
Depreciation	54,903	-	-	-	54,903
Dues	1,143	4,363	1,180	-	6,686
Employee Benefits	52,999	28,931	2,004	-	83,934
Equipment Rental	8,871	3,156	401	-	12,428
Feed, Hay, and Straw	269,289	-	-	-	269,289
Insurance	25,152	18,394	1,408	-	44,954
Interest	1,197	876	760	-	2,833
Internet	-	711	680	-	1,391
Lease Amortization, Right of Use Asset	-	10,182	10,182	-	20,364
Non-recurring Legal Fees	-	1,330	-	-	1,330
Medical Supplies	26,407	-	-	-	26,407
Office Supplies	5,533	8,260	3,029	-	16,822
Payroll Taxes	29,266	13,866	13,854	-	56,986
Postage and Freight	2,714	4,672	8,014	-	15,400
Printing and Publications	-	466	25,769	-	26,235
Promotional	-	-	20,323	186,757	207,080
Rent	5,000	5,407	3,600	-	14,007
Repairs and Maintenance	29,924	600	2,635	-	33,159
Salaries and Wages	371,866	169,490	246,600	-	787,956
Supplies	47,357	2,930	3,385	-	53,672
Taxes and Licenses	3,051	7,073	-	-	10,124
Telephone	3,769	3,299	295	-	7,363
Transportation	8,365	-	-	-	8,365
Travel	24,373	19,297	15,957	-	59,627
Training	33,066	-	-	-	33,066
Utilities	3,397	10	-	-	3,407
Veterinarian and Dental	117,811	-	-	-	117,811
Total Expenses	1,561,423	389,632	450,379	186,757	2,588,191
Less Expenses Included with Revenues on the Statement of Activities	-	-	-	(186,757)	(186,757)
Total Expenses Included in Expense Section on the Statement of Activities	<u>\$1,561,423</u>	<u>\$ 389,632</u>	<u>\$ 450,379</u>	<u>\$ -</u>	<u>\$ 2,401,434</u>

Thoroughbred Retirement Foundation, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2022

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Direct Benefit to Donors</u>	<u>Total Expenses</u>
Accounting	\$ -	\$ 49,653	\$ -	\$ -	\$ 49,653
Advertising	160	7,845	4,225	-	12,230
Appeal and Book	-	-	7,140	-	7,140
Bank Charges	34	10,170	7,980	-	18,184
Blacksmith	58,937	-	-	-	58,937
Board	364,368	-	-	-	364,368
Contract Labor	16,837	21,034	27,385	-	65,256
Depreciation	56,350	-	-	-	56,350
Dues	537	12,588	765	-	13,890
Employee Benefits	31,488	15,793	5,365	-	52,646
Equipment Rental	4,511	2,695	562	-	7,768
Feed, Hay, and Straw	245,459	-	-	-	245,459
Insurance	20,447	17,068	787	-	38,302
Interest	1,362	888	732	-	2,982
Internet	-	1,176	818	-	1,994
Lease Amortization, Right of Use Asset	-	7,637	7,637	-	15,274
Non-recurring Legal Fees	-	203	-	-	203
Medical Supplies	14,479	-	-	-	14,479
Miscellaneous Expense	-	301	-	-	301
Office Supplies	2,276	12,064	13,278	-	27,618
Payroll Taxes	29,213	9,373	22,051	-	60,637
Postage and Freight	4,255	6,119	9,458	-	19,832
Printing and Publications	-	114	33,481	-	33,595
Promotional	-	-	34,189	55,653	89,842
Rent	5,000	2,705	1,600	-	9,305
Repairs and Maintenance	51,754	266	-	-	52,020
Salaries and Wages	352,200	117,639	271,088	-	740,927
Supplies	69,843	2,421	3,974	-	76,238
Taxes and Licenses	448	25	-	-	473
Telephone	4,743	3,530	-	-	8,273
Transportation	30,100	155	-	-	30,255
Travel	12,520	8,613	12,335	-	33,468
Training	13,778	-	-	-	13,778
Utilities	2,973	328	-	-	3,301
Veterinarian and Dental	94,055	-	-	-	94,055
Total Expenses	1,488,127	310,403	464,850	55,653	2,319,033
Less Expenses Included with Revenues on the Statement of Activities	-	-	-	(55,653)	(55,653)
Total Expenses Included in Expense Section on the Statement of Activities	<u>\$1,488,127</u>	<u>\$ 310,403</u>	<u>\$ 464,850</u>	<u>\$ -</u>	<u>\$ 2,263,380</u>

See accompanying notes to financial statements.

Thoroughbred Retirement Foundation, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities:		
Change in net assets	\$ 1,458,439	\$ (1,605,107)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	54,903	56,350
Amortization of Operating Lease Right of Use Asset	20,364	15,274
Unrealized and Realized Gain (Loss) on Investments, net	(1,442,916)	1,255,795
Changes in operating assets and liabilities		
Contribution Receivables	(10,279)	35,539
Grant Recievables	-	126,390
Prepaid Expenses	(961)	(3,368)
Accounts payables and accrued expenses	29,401	(8,399)
Net cash provided by operating activities	108,951	(127,526)
Cash Flows From Investing Activities:		
Acquisitions of property and equipment	(10,155)	(54,520)
(Decrease) Increase in Restricted Cash	(33,714)	107,401
Increase in Short-Term Investments	(522,502)	(448,803)
Decrease in Long-Term Investments	456,533	500,803
Net cash (used in) provided by investing activities	(109,838)	104,881
Cash Flows From Financing Activities:		
Repayments on Notes Payable	(7,096)	(6,778)
Repayments of Operating Lease Liability	(20,079)	(14,736)
Net cash used in financing activities	(27,175)	(21,514)
Net change in cash and cash equivalents	(28,062)	(44,159)
Cash and cash equivalents, at beginning of year	316,603	360,762
Cash and cash equivalents, at end of year	\$ 288,541	\$ 316,603
Supplemental Disclosure of Cash Flow Information		
Non-Cash Operating Activities		
In-Kind Contributions	\$ 87,950	\$ 37,754
Cash paid for interest expense	\$ 1,312	\$ 2,982

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The Thoroughbred Retirement Foundation, Inc., “the Foundation”, is a non-profit organization. The Foundation believes dignity and compassion are the foundations of lives well lived. The Foundation provides lifetime sanctuary for Thoroughbreds after their racing careers, as well as opportunities for people wishing to improve their well-being through the undeniable healing power of horses. Through its pioneering program, Second Chances Programs, the Foundation provides vocational training in equine care and management to incarcerated individuals at correctional facilities around the country. Through this collaboration, the Foundation can “Save Horses and Change Lives”.

Basis of Presentation

The financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications.

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 may be used at the discretion of the Organization’s management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantor may have some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

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. When a restriction expires, 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 restriction.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Foundation’s ongoing program services and interest and dividends earned on investments. Non-operating activities are limited to resources that generate return from investments and other activities considered to be more unusual or non-recurring in nature.

Comparative Financial Information

The accompanying financial statements include certain prior-year comparative information such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended December 31, 2023 and 2022, from which the summarized information was derived.

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (continued)

Cash, Cash Equivalents and Restricted Cash

All cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Cash – Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Foundation’s deposits may not be returned to it. The Foundation does not have a deposit policy for custodial credit risk. The Foundation maintains their cash balances at several financial institutions. The accounts at the institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000 at December 31, 2023 and 2022. As of December 31, 2023 and 2022, the Foundation’s uninsured cash balance total approximately:

	2023	2022
Cash and Cash Equivalents	\$ 167,943	\$ 246,033
Restricted Cash	-	-
	\$ 167,943	\$ 246,033

Operating and endowment investments that hold bank sweep deposits are held at FDIC-Insured program banks up to \$250,000. Stocks, bonds, Treasury securities, certificates of deposit, mutual funds, money market mutual funds held at an SIPC member firms are covered Securities Investor Protection Corporation, or SIPC, up to \$500,000 in total coverage per customer or per account, if the accounts are of separate capacities, for lost or missing assets of cash and/or securities from a customer’s accounts held at the institution. Up to \$250,000 of that total can be applied to protect cash within a customer's account that is not yet invested in securities.

Contributions Receivables and Credit Policies

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporary or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are classified to unrestricted net assets. Receivables from contracts with customers are reported as accounts receivable, net in the accompanying statement of financial position. Contract liabilities are reported as deferred revenue in the accompanying statement of financial position. At December 31, 2023 and 2022 the Foundation has no contract receivables or liabilities.

The Foundation uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years’ experience and management’s analysis of specific promises made, the Foundation had no allowance for credit losses as of December 31, 2023 and 2022.

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenue is recognized when services are performed. In addition, certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of or in the delivery of specific services and transactions. These amounts are recognized as revenue either in the year the related expenditures are incurred, or services performed, or in the year the corresponding obligations are satisfied.

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

ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, was issued to clarify the existing guidance and resolve diversity in practice in characterizing grants and similar contracts with resource providers as either exchange transactions or contributions. In addition, once a transaction is determined to be a contribution, it addresses the difficulty in distinguishing between conditions on which a promised contribution depends donor-imposed restrictions. The guidance was effective on the same date as ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* (as revised); that is, for most nonprofit organizations, ASU 2018-08 is effective for *contributions received* for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019.

In-kind Donations

In-kind donations, composed of expenses for foster farms for donated hay, feed and other horse care expenses are recorded at their fair market value at the date of the gift. Donations for labor, supplies and essential services have been recorded. Volunteers have made significant contributions of their time in furtherance of the Foundation's mission. These services were not reflected in the accounting statements of activities because they do not meet the necessary criteria for recognition under US GAAP. The Foundation received in-kind donations for the years ended December 31, 2023 and 2022, respectively.

	2023	2022
Blacksmith	\$ 3,586	\$ 1,025
Capital Expenses	3,000	-
Feed, Hay and Straw	16,667	3,781
Foster Farm Expenses	-	3,759
Repairs and Maintenance	134	101
Medical Supplies	8,386	319
Supplies	5,006	2,615
Special Events	45,955	25,438
Utilities	226	-
Veterinarian and Dental	4,990	716
	\$ 87,950	\$ 37,754

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (continued)

Use of Estimates

In preparing financial statements in conformity with US GAAP management is required to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

Advertising and Promotional Costs

The Foundation follows the policy of charging the costs of advertising and promotional costs to expense as incurred. Advertising and production costs totaled \$18,902 and \$12,230 for December 31, 2023 and 2022, respectively

Functional Expenses

The costs of providing the programs and other activities have been summarized on a functional basis in the statements of activities and statements of functional expenses. Accordingly, costs have been allocated among program services and supporting services or as a direct cost. Such allocations are determined by management on an equitable basis. Salaries, payroll taxes and employee benefits are allocated based on time and effort. Certain horse care expenses such as hay, feed and medical supplies are based on the number of horses.

The significant costs included in the statements of activities and statements of functional expenses are the following:

<u>Expense</u>	<u>Method of Allocation</u>
Program Expense	Direct costs
Professional Fees	Direct costs
Salaries, Taxes and Benefits	Cost, time and effort
Hay, Feed and Straw	Direct costs
Board	Direct costs
Veterinarian and Dental	Direct costs

Income Taxes

The Foundation is a nonprofit organization exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service, except to the extent of unrelated business taxable income. For the year ended December 31, 2023, no provision for unrelated business taxes is required. The Foundation believes that they have appropriate support for any tax positions taken, and as such, do not have any uncertain tax positions that are material to the financial statements that require recognition or disclosure in the financial statements. The Foundation is not a private foundation.

The Foundation is exempt from income tax for the year ended December 31, 2023, is subject to examination by the Internal Revenue Service generally three to four years after the returns were filed.

Subsequent Events

Subsequent events were considered by the Foundation for recognition or disclosures through August 5, 2024, which is the date the financial statements were available to be issued.

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (continued)

Subsequent Events

In 2024 the Foundation received an unrestricted grant from a trust for \$1,389,483.

Accounting Pronouncements

In February 2016, the FASB issues FASB ASC 842, Leases, to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing agreements. FASB ASC 842 is effective for non-profit entities for annual reporting periods beginning after December 31, 2021. Management has adopted this policy effective January 1, 2022.

On June 16, 2016, the FASB completed its Financial Instruments—Credit Losses project by issuing Accounting Standards Update No. 2016-13, Financial Instruments—Credit Losses (Topic 326). The new guidance requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts.

Note 2 – Fair Value Measurements and Disclosures

The Foundation adopted FASB ASC 820, Fair Value Measurements and Disclosures, for assets and liabilities measured at fair value on a recurring basis. The codification established a common definition for fair value to be applied to existing generally accepted accounting principles that required the use of fair value measurements, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements.

FASB ASC 820 defines fair value as the price, representing the amount 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. Additionally, FASB ASC 820 requires the use of valuation techniques that maximize the use of observable input and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1 - Observable inputs such as quoted market prices in active markets for identical assets or liabilities.
- Level 2 - Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3 - Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

In some cases, the inputs used to measure the fair value of an asset, or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, considering factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Organization's assessment of the quality, risk, or liquidity profile of the asset or liability.

A significant portion of investment assets are classified within Level 1 because they comprise open-end mutual funds, marketable securities with readily determinable fair values based on daily redemption values.

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 2 – Fair Value Measurements and Disclosures (concluded)

<u>December 31, 2023</u>	<u>Total</u>	<u>Fair Value Measurements at Report Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Operating Investments:				
Cash and Money Market Funds	\$ 601,438	\$ 601,438	\$ -	\$ -
Fixed Income	563,603	563,603	-	-
Exchange Traded Funds	128,167	128,167	-	-
	<u>1,293,208</u>	<u>1,293,208</u>	<u>-</u>	<u>-</u>
Endowment Investments:				
Cash and Money Market Funds	654,915	654,915		
Fixed Income	688,642	688,642		
Equities	3,377,600	3,377,600		
Exchange Traded Funds	4,362,628	4,362,628		
Other Assets	384,113	384,113		
	<u>9,467,898</u>	<u>9,467,898</u>	<u>-</u>	<u>-</u>
Total Investments	<u><u>\$ 10,761,106</u></u>	<u><u>\$ 10,761,106</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

<u>December 31, 2022</u>	<u>Total</u>	<u>Fair Value Measurements at Report Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Operating Investments:				
Cash and Money Market Funds	\$ 283,581	\$ 283,581	\$ -	\$ -
Fixed Income	341,685	341,685	-	-
Exchange Traded Funds	145,440	145,440	-	-
	<u>770,706</u>	<u>770,706</u>	<u>-</u>	<u>-</u>
Endowment Investments:				
Cash and Money Market Funds	423,764	423,764		
Fixed Income	396,282	396,282		
Equities	2,288,202	2,288,202		
Exchange Traded Funds	4,991,199	4,991,199		
Other Assets	382,068	382,068		
	<u>8,481,515</u>	<u>8,481,515</u>	<u>-</u>	<u>-</u>
Total Investments	<u><u>\$ 9,252,221</u></u>	<u><u>\$ 9,252,221</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 3 – Fixed Assets

Property and equipment consist of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Property, Equipment and Fixtures	\$ 1,110,694	\$ 1,046,827
Less: accumulated depreciation	<u>(902,182)</u>	<u>(860,996)</u>
Fixed Assets, Net of Depreciation	<u>\$ 208,512</u>	<u>\$ 185,831</u>

Depreciation expense was \$54,903 and \$56,350 for the years ending December 31, 2023 and 2022.

Note 4 – Net Assets

The Foundation carries investments in marketable securities with readily determinable fair values, all investments in debt securities at their fair values, and all non-marketable debt securities at their fair market value or face value in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Investment income, gains and losses restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income, gains and losses are recognized. Net assets without donor restrictions for the year ended December 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Donor restricted for Santulli Hay and Feed Fund	\$ 60,298	\$ 53,063
Donor restricted for Sophie Stenbeck's Hart to Heart Fund	-	45,112
Donor restricted for Blackburn	32,189	30,000
Donor restricted for T.E.R.F. Grant - Teaching Aides	-	828
Donor restricted for 2nd Chances Expansion	54,802	55,790
Donor restricted for Pleasant Valley State Prison		
- Second Chances Program	-	25,346
Donor restricted for Lowell	-	10,000
Donor Restricted Endowment Funds:		
Original Donor Restricted Gift Amount and		
Amounts Required to be Retained by Donor	6,000,000	6,000,000
Portion Subject to Appropriation Under NYPMIFA	<u>3,467,898</u>	<u>2,481,515</u>
Total Net Assets with Donor Restrictions	<u>\$ 9,615,187</u>	<u>\$ 8,701,654</u>

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 5 – Paul Mellon Endowment

The Foundation's endowment fund was established on January 19, 2001, to support the care and maintenance of retired thoroughbred horses, with a racing record. Contributions to the endowment fund are subject to donor restrictions that stipulate the original gift amount is to be held and invested by the Foundation indefinitely. The income from the fund is expected to be expended for the care and maintenance of retired thoroughbred horses, with a racing record. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation is subject to the New York Prudent Management of Institutional Funds Act (NYPMIFA) and, therefore, classifies amounts in its donor-restricted endowment fund as net assets with donor restrictions until they are appropriated for expenditure by the Board of the Foundation.

The Board of Directors of the Foundation has interpreted NYPMIFA as requiring the preservation of the fair value of the contrary. As a result of this interpretation, the Foundation would consider the fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of gifts donated to the permanent endowment (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The Foundation has interpreted NYPMIFA to permit spending from underwater funds in accordance with prudent measures required under the law. The Foundation's endowment fund is not currently underwater.

In accordance with NYPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policy.

Investment Return Objectives, Risk Parameters and Strategies. The Foundation has adopted investment and spending policies, approved by the Board of Directors for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while also maintaining the purchasing power of those endowment assets over the long term. The Foundation's spending and investment policies work together to achieve this objective.

The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term return objective is to return 6-8% per annum. Actual returns in any given year may vary from this amount. To satisfy its long-term rate or return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places an emphasis on U.S. Treasury securities and equity-based investments to achieve its long-term return objectives within prudent risk parameters. Investment risk is measured in terms of the total endowment fund, investment assets and allocation between assets classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 5 – Paul Mellon Endowment (concluded)

Spending Policy. The Foundation is allowed under the terms of the Paul Mellon Endowment Fund to withdraw from the Endowment each year an amount up to 5% of the fair market value of the Endowment's assets at the end of each immediately preceding December 31st. The Foundation's current spending policy is to withdraw the full allowable 5% in January of each year. These withdrawn funds must be used for the care and maintenance of retired thoroughbred racehorses, with a racing record.

During 2020, the Foundation and the Executors of the Estate of Paul Mellon ("Executors") reach an "Agreement on Appropriation and Expenditure of Restricted Endowment Funds," through which, the Executors agreed to exercise their authority with respect to the Endowment Fund and permit the Foundation, on a one-time basis, to appropriate and expend certain monies from the Endowment Fund. The agreement authorized the Foundation the amount of \$1,000,000. As of December 31, 2023 and 2022, the Foundation has expended \$651,665 of this appropriation.

Endowment net asset composition by type of fund as of December 31, 2023 and 2022, is as follows:

Donor Restricted Endowment Funds:	2023	2022
Original Donor Restricted Gift Amount and Amounts Required to be Retained by Donor	\$ 6,000,000	\$ 6,000,000
Portion Subject to Appropriation Under NYPMIFA	3,467,898	2,481,515
Total Funds	\$ 9,467,898	\$ 8,481,515

Changes in endowment funds as of December 31, 2023 and 2022, are as follows:

	2023	2022
Endowment Net assets, Beginning of Year	\$ 8,481,515	\$ 10,238,114
Investment Return, Net	1,410,459	(1,244,693)
Appropriation of Endowment Assets for Expenditure	(424,076)	(511,906)
Endowment Net assets, End of Year	\$ 9,467,898	\$ 8,481,515

Note 6 – Operating Lease Right of Use Asset

The Foundation has a non-cancelable operating lease for the use of office space which expires March 2025. See Note 1 for current accounting pronouncement FASB ASC 842. Under FASB ASC 842, the Company is to record this lease as an Operating Lease Right of Use Asset with the following presentation on the financial statements:

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 6 – Operating Lease Right of Use Asset (concluded)

<i>Statement of Financial Position</i>	2023	2022
Operating Lease Right of Use Asset	61,092	61,092
Less: Accumulated Amortization-Operating Lease	(15,273)	(15,273)
Operating Lease Right of Use Asset, net	\$ 45,819	\$ 45,819
	2023	2022
Operating Lease Liability, current portion	20,916	20,079
Noncurrent Operating Lease Liabilities	5,361	26,277
Total Liabilities	\$ 26,277	\$ 46,356
	2023	2022
<i>Statement of Functional Expenses</i>		
Lease Amortization, Right of Use Asset	\$ 20,364	\$ 15,274

Estimated future amortization expenses for operating lease right of use asset as of December 31, 2023, was as follows:

Estimated future amortization for operating right of use asset as of:

December	
2024	\$ 20,364
2025	5,091
Total	\$ 25,455

The maturities of lease liability as of December 31, 2023, was as follows:

Estimated maturities of lease liability as of:

December	
2024	\$ 21,600
2025	5,400
Total	\$ 27,000
Less: Interest expense	(723)
Total	\$ 26,277

Note 7 – Farm Lease Commitments

The Foundation has contract agreements with various correctional facilities around the country to offer vocational training in equine care and management to incarcerated individuals through the use of retired racehorses. These agreements vary in terms and conditions with some containing automatic renewal periods from one to five years, at December 31, 2023 and 2022 there are eight such programs.

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 7 – Farm Lease Commitments (concluded)

The Foundation’s Second Chances Program is a unique and pioneering program where inmates build life skills while participating in a vocational training program as they provide supervised care to our retired racehorses. The costs related to these contract agreements with correctional facilities are included in statements of activities and statements of functional expenses.

The Foundation renewed its lease agreement with the Nash Family Partnership for its farm located in Prospect, Kentucky. The renewed lease term is for one year beginning on October 11, 2022. The lease may be terminated prior to the end of the lease term by either party upon ninety days written notice to the other. Unless either party indicates otherwise in writing, the lease shall continue from month to month after the term. The amount of the lease payment will be a fix \$20,000 for the property, payable in four installments. Actual rent expense to the Foundation for the year ended December 31, 2023 and 2022, was \$0 and \$5,000.

During March 2021, the Foundation entered into a lease agreement with Chorleywood Commons, LLC (a Kentucky limited liability company) to lease its farm located in Chestnut Hall in Prospect, Kentucky. The annual lease dates are March 15, 2021- March 14, 2024, with an annual payment of \$1.

Note 8 – Note Payable

	2023	2022
Note payable to a financial institution, due in 60 monthly payments of \$676, including interest of 4.09% through October 2026, secured by equipment.	\$ 21,051	\$ 28,147
Less: Current maturities	(7,368)	(7,074)
Note payable long-term portion	\$ 13,683	\$ 21,073

Schedule principal maturities of long-term debt are as follows:

Years Ending December 31,		
2024	\$	7,368
2025		7,675
2026		6,008
	\$	21,051

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 9 – Liquidity and Availability of Financial Assets

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing activities of providing care and maintenance of retired thoroughbred horses, with a racing record, to be general expenditures. The following reflects the Foundation’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Donor-restricted amounts that are available for use within one year for general purposes include the payment of \$477,635 and \$424,076 that will be appropriated from the endowment fund in the first quarter of the year December 31, 2023 and 2022, and \$186,425 and \$220,139 that will be released from donor-restricted contributions approved throughout the years December 31, 2023 and 2022, respectively.

Financial Assets consist of the following:	2023	2022
Cash and cash equivalents	\$ 288,541	\$ 316,604
Restricted Cash	186,425	220,139
Contribution Receivables	81,443	71,164
Short-Term Investments	1,293,208	770,706
Long-Term Investments	9,467,898	8,481,515
	\$ 11,317,515	\$9,860,128
	2023	2022
Financial Assets at Year-End	\$ 11,317,515	\$9,860,128
Subject to expenditure for specified purpose:		
Donor-restricted to maintain endowment	9,467,898	8,481,515
Donor-restricted for care and maintenance of retired thoroughbred horses, with a racing record	186,425	220,139
Financial assets available to meet cash needs for general expenditures	\$ 1,663,192	\$1,158,474

Note 10 – Related Party Transactions

Renaissance Farm (a Thoroughbred Retirement Foundation sanctuary farm), during the years ended December 31, 2023 and 2022, had five Thoroughbred horses under their care and was paid according to Foundation regulations for care of the horses. December 31, 2023 and 2022, Renaissance Farm was paid approximately \$14,780 and \$15,282, respectively.

Thoroughbred Retirement Foundation, Inc.
Notes to Financial Statements
December 31, 2023 and 2022

Note 11 – Employee Benefit Plan

The Foundation has a 401(k) and profit-sharing plan covering employees 21 years of age or older. Each eligible participant with an entry date first occurring on or after January 1, 2021, will be automatically enrolled in the plan as a participant. The minimum percentage of compensation a participant may elect to be treated as an elective deferral is 1% with the maximum being 90%, up to the applicable federal limit. Three percent of compensation will be deferred as a pre-tax elective deferral on the participants behalf, for the year end December 31, 2023 and 2022, the Foundation did not contribute or match employees contribution.

Thoroughbred Retirement Foundation, Inc.
Summary Schedule of Revenues and Expenses by Location
For the Year Ended December 31, 2023

	Second Chance Programs											Total
	National	Sanctuary Farms	Blackburn	JJP Florida	Lowell	Maryland	Pleasant Valley State Prison	Vandalia	Walkill	Wateree SC	Wyoming	
Revenue:												
Unrestricted Revenue	\$ 2,187,699	\$ 45,633	\$ 14,746	\$ -	\$ 58,960	\$ 4,743	\$ 34,272	\$ 1,664	\$ 32,273	\$ 32,416	\$ 239	\$ 2,412,645
Total Revenue	<u>2,187,699</u>	<u>45,633</u>	<u>14,746</u>	<u>-</u>	<u>58,960</u>	<u>4,743</u>	<u>34,272</u>	<u>1,664</u>	<u>32,273</u>	<u>32,416</u>	<u>239</u>	<u>2,412,645</u>
Program, Administrative and Fundraising Expenses:												
Program Services	311,330	688,121	103,730	10,332	155,631	29,243	55,040	1,553	142,187	33,938	30,318	1,561,423
Management and General	389,632	-	-	-	-	-	-	-	-	-	-	389,632
Fundraising	413,746	36,633	-	-	-	-	-	-	-	-	-	450,379
Total Program, Administrative and Fundraising Expenses	<u>1,114,708</u>	<u>724,754</u>	<u>103,730</u>	<u>10,332</u>	<u>155,631</u>	<u>29,243</u>	<u>55,040</u>	<u>1,553</u>	<u>142,187</u>	<u>33,938</u>	<u>30,318</u>	<u>2,401,434</u>
Excess (Deficiency) of Revenue over Expenses	<u>\$ 1,072,991</u>	<u>\$ (679,121)</u>	<u>\$ (88,984)</u>	<u>\$ (10,332)</u>	<u>\$ (96,671)</u>	<u>\$ (24,500)</u>	<u>\$ (20,768)</u>	<u>\$ 111</u>	<u>\$ (109,914)</u>	<u>\$ (1,522)</u>	<u>\$ (30,079)</u>	<u>\$ 11,211</u>

Thoroughbred Retirement Foundation, Inc.
Summary Schedule of Revenues and Expenses by Location
For the Year Ended December 31, 2022

	Second Chance Programs											Total
	National	Sanctuary Farms	Blackburn	JJP Florida	Lowell	Maryland	Pleasant Valley State Prison	Vandalia	Walkkill	Wateree SC	Wyoming	
Revenue:												
Unrestricted Revenue	1,684,792	45,633	5,547	500	41,050	16,152	52,549	1,664	28,407	32,416	550	\$ 1,909,260
Total Revenue	<u>1,684,792</u>	<u>45,633</u>	<u>5,547</u>	<u>500</u>	<u>41,050</u>	<u>16,152</u>	<u>52,549</u>	<u>1,664</u>	<u>28,407</u>	<u>32,416</u>	<u>550</u>	<u>1,909,260</u>
Program, Administrative and Fundraising Expenses:												
Program Services	208,939	682,614	63,444	9,501	132,493	26,415	23,995	118,690	147,538	29,704	44,794	1,488,127
Management and General	310,403	-	-	-	-	-	-	-	-	-	-	310,403
Fundraising	422,877	40,685	-	-	1,288	-	-	-	-	-	-	464,850
Total Program, Administrative and Fundraising Expenses	<u>942,219</u>	<u>723,299</u>	<u>63,444</u>	<u>9,501</u>	<u>133,781</u>	<u>26,415</u>	<u>23,995</u>	<u>118,690</u>	<u>147,538</u>	<u>29,704</u>	<u>44,794</u>	<u>2,263,380</u>
Excess (Deficiency) of Revenue over Expenses	<u>\$ 742,573</u>	<u>\$ (677,666)</u>	<u>\$ (57,897)</u>	<u>\$ (9,001)</u>	<u>\$ (92,731)</u>	<u>\$ (10,263)</u>	<u>\$ 28,554</u>	<u>\$ (117,026)</u>	<u>\$ (119,131)</u>	<u>\$ 2,712</u>	<u>\$ (44,244)</u>	<u>\$ (354,120)</u>

Thoroughbred Retirement Foundation, Inc.
Schedule of Program Services by Location
For the Year Ended December 31, 2023

	Second Chance Programs											Total
	National	Sanctuary Farms	Blackburn	JJP Florida	Lowell	Maryland	Pleasant Valley State Prison	Vandalia	Walkkill	Wateree SC	Wyoming	
Program Services:												
Advertising	\$ 1,317	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ -	\$ 1,337
Blacksmith	959	28,156	18,074	1,635	9,419	1,580	-	-	4,050	2,070	1,040	66,983
Board	-	336,588	-	-	-	-	-	-	-	-	-	336,588
Contract Labor	-	4,002	-	-	12,412	-	13,897	-	-	-	751	31,062
Depreciation	599	13,349	16,246	5,694	2,685	391	-	-	7,219	3,099	5,621	54,903
Dues	658	360	-	-	-	125	-	-	-	-	-	1,143
Employee Benefits	26,335	26,560	-	-	-	-	-	-	-	104	-	52,999
Equipment Rental	-	1,160	-	-	4,483	43	-	-	241	2,516	428	8,871
Feed, Hay, and Straw	554	50,522	26,574	-	71,971	11,391	9,761	-	69,028	17,817	11,671	269,289
Insurance	18,151	5,448	-	-	-	-	-	1,553	-	-	-	25,152
Interest	1,142	-	-	-	2	-	-	-	53	-	-	1,197
Medical Supplies	8,488	4,634	5,439	-	2,227	3,073	-	-	1,721	-	825	26,407
Office Supplies	2,395	259	-	267	2,103	75	-	-	374	-	60	5,533
Payroll Taxes	14,388	11,400	-	-	1,698	-	-	-	1,780	-	-	29,266
Postage and Freight	1,671	105	-	10	58	154	-	-	399	-	317	2,714
Rent	-	5,000	-	-	-	-	-	-	-	-	-	5,000
Repairs and Maintenance	-	2,832	1,718	566	7,130	1,444	1,104	-	7,066	5,861	2,203	29,294
Salaries and Wages	196,621	137,779	-	-	20,868	-	-	-	16,598	-	-	371,866
Supplies	6,992	8,864	5,202	867	7,509	6,981	1,257	-	5,678	57	3,950	47,357
Taxes and Licenses	2,974	-	-	-	-	-	77	-	-	-	-	3,051
Telephone	12	-	-	-	2,094	-	-	-	1,663	-	-	3,769
Transportation	8,365	-	-	-	-	-	-	-	-	-	-	8,365
Travel	19,709	2,221	255	214	1,200	93	-	-	-	-	681	24,373
Training	-	-	2,000	151	1,883	139	28,893	-	-	-	-	33,066
Utilities	-	2,121	1,276	-	-	-	-	-	-	-	-	3,397
Veterinarian and Dental	-	46,761	26,946	928	7,889	3,754	51	-	26,317	2,394	2,771	117,811
Total	\$ 311,330	\$ 688,121	\$ 103,730	\$ 10,332	\$ 155,631	\$ 29,243	\$ 55,040	\$ 1,553	\$ 142,187	\$ 33,938	\$ 30,318	\$ 1,561,423

Thoroughbred Retirement Foundation, Inc.
Schedule of Program Services by Location
For the Year Ended December 31, 2022

	Second Chance Programs										Total	
	National	Sanctuary Farms	Blackburn	JJP Florida	Lowell	Maryland	Pleasant Valley State Prison	Vandalia	Walkkill	Wateree SC		Wyoming
Program Services:												
Advertising	\$ -	160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160
Bank Charges	-	34	-	-	-	-	-	-	-	-	-	34
Blacksmith	1,025	28,215	3,920	750	12,985	2,160	1,005	3,010	4,005	1,202	660	58,937
Board	-	364,368	-	-	-	-	-	-	-	-	-	364,368
Contract Labor	-	852	-	-	7,935	-	7,218	359	-	-	473	16,837
Depreciation	71	12,780	15,665	5,694	2,683	391	-	1,856	9,788	6,100	1,322	56,350
Dues	4	328	-	-	-	-	-	-	-	-	205	537
Employee Benefits	7,578	14,315	-	-	2,059	-	-	7,536	-	-	-	31,488
Equipment Rental	809	2,356	-	-	-	-	-	-	335	-	1,011	4,511
Feed, Hay, and Straw	7,540	42,616	23,192	161	63,177	9,875	9,560	16,281	57,891	10,483	4,683	245,459
Insurance	12,459	5,048	-	-	-	-	-	2,940	-	-	-	20,447
Interest	1,336	-	-	-	-	26	-	-	-	-	-	1,362
Medical Supplies	319	5,387	979	144	1,235	620	189	1,650	2,655	697	604	14,479
Office Supplies	76	279	206	84	593	-	-	-	1,018	20	-	2,276
Payroll Taxes	11,516	10,319	-	-	1,656	-	-	3,781	1,905	36	-	29,213
Postage and Freight	2,239	27	-	-	70	-	-	81	638	-	1,200	4,255
Rent	-	5,000	-	-	-	-	-	-	-	-	-	5,000
Repairs and Maintenance	101	7,598	25	954	8,232	542	527	5,399	5,383	-	22,993	51,754
Salaries and Wages	143,341	118,938	-	-	20,933	-	-	47,694	16,224	5,070	-	352,200
Supplies	2,637	13,922	6,433	1,425	5,185	4,233	4,255	3,487	20,956	829	6,481	69,843
Taxes and Licenses	-	65	-	-	-	-	383	-	-	-	-	448
Telephone	-	-	-	-	3,291	-	-	-	1,452	-	-	4,743
Transportation	6,600	-	-	-	-	1,800	475	21,225	-	-	-	30,100
Travel	7,778	3,344	-	289	191	-	9	305	-	-	604	12,520
Training	2,610	-	2,500	-	-	2,227	-	-	400	3,000	3,041	13,778
Utilities	-	1,871	1,102	-	-	-	-	-	-	-	-	2,973
Veterinarian and Dental	866	44,826	9,422	-	2,268	4,541	374	3,086	24,888	2,267	1,517	94,055
Total	<u>\$ 208,939</u>	<u>\$ 682,614</u>	<u>\$ 63,444</u>	<u>\$ 9,501</u>	<u>\$ 132,493</u>	<u>\$ 26,415</u>	<u>\$ 23,995</u>	<u>\$ 118,690</u>	<u>\$ 147,538</u>	<u>\$ 29,704</u>	<u>\$ 44,794</u>	<u>\$ 1,488,127</u>

Thoroughbred Retirement Foundation, Inc.
Schedule of General and Administration Expenses by Location
For the Year Ended December 31, 2023

	Second Chance Programs										Total	
	National	Sanctuary Farms	Blackburn	JJP Florida	Lowell	Maryland	Pleasant Valley State Prison	Vandalia	Wallkill	Wateree SC		Wyoming
General and Administrative:												
Accounting	\$ 62,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,775
Advertising	387	-	-	-	-	-	-	-	-	-	-	387
Bank Charges	4,297	-	-	-	-	-	-	-	-	-	-	4,297
Contract Labor	18,860	-	-	-	-	-	-	-	-	-	-	18,860
Dues	4,363	-	-	-	-	-	-	-	-	-	-	4,363
Employee Benefits	28,931	-	-	-	-	-	-	-	-	-	-	28,931
Equipment Rental	3,156	-	-	-	-	-	-	-	-	-	-	3,156
Insurance	18,394	-	-	-	-	-	-	-	-	-	-	18,394
Interest	876	-	-	-	-	-	-	-	-	-	-	876
Internet	711	-	-	-	-	-	-	-	-	-	-	711
Lease Amortization, Right of Use A	10,182	-	-	-	-	-	-	-	-	-	-	10,182
Non-recurring Legal Fees	1,330	-	-	-	-	-	-	-	-	-	-	1,330
Miscellaneous Expense	-	-	-	-	-	-	-	-	-	-	-	-
Office Supplies	8,260	-	-	-	-	-	-	-	-	-	-	8,260
Payroll Taxes	13,866	-	-	-	-	-	-	-	-	-	-	13,866
Postage and Freight	4,672	-	-	-	-	-	-	-	-	-	-	4,672
Printing and Publications	466	-	-	-	-	-	-	-	-	-	-	466
Rent	5,407	-	-	-	-	-	-	-	-	-	-	5,407
Repairs and Maintenance	600	-	-	-	-	-	-	-	-	-	-	600
Salaries and Wages	169,490	-	-	-	-	-	-	-	-	-	-	169,490
Supplies	2,930	-	-	-	-	-	-	-	-	-	-	2,930
Taxes and Licenses	7,073	-	-	-	-	-	-	-	-	-	-	7,073
Telephone	3,299	-	-	-	-	-	-	-	-	-	-	3,299
Training	-	-	-	-	-	-	-	-	-	-	-	-
Travel	19,297	-	-	-	-	-	-	-	-	-	-	19,297
Utilities	10	-	-	-	-	-	-	-	-	-	-	10
Total	<u>\$ 389,632</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 389,632</u>

Thoroughbred Retirement Foundation, Inc.
Schedule of General and Administration Expenses by Location
For the Year Ended December 31, 2022

	Second Chance Programs											Total
	National	Sanctuary Farms	Blackburn	JJP Florida	Lowell	Maryland	Pleasant Valley State Prison	Vandalia	Wallkill	Waree SC	Wyoming	
General and Administrative:												
Accounting	\$ 49,653	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,653
Advertising	7,845	-	-	-	-	-	-	-	-	-	-	7,845
Bank Charges	10,170	-	-	-	-	-	-	-	-	-	-	10,170
Contract Labor	21,034	-	-	-	-	-	-	-	-	-	-	21,034
Dues	12,588	-	-	-	-	-	-	-	-	-	-	12,588
Employee Benefits	15,793	-	-	-	-	-	-	-	-	-	-	15,793
Equipment Rental	2,695	-	-	-	-	-	-	-	-	-	-	2,695
Insurance	17,068	-	-	-	-	-	-	-	-	-	-	17,068
Interest	888	-	-	-	-	-	-	-	-	-	-	888
Internet	1,176	-	-	-	-	-	-	-	-	-	-	1,176
Lease Amortization, Right of Use A	7,637	-	-	-	-	-	-	-	-	-	-	7,637
Non-recurring Legal Fees	203	-	-	-	-	-	-	-	-	-	-	203
Miscellaneous Expense	301	-	-	-	-	-	-	-	-	-	-	301
Office Supplies	12,064	-	-	-	-	-	-	-	-	-	-	12,064
Payroll Taxes	9,373	-	-	-	-	-	-	-	-	-	-	9,373
Postage and Freight	6,119	-	-	-	-	-	-	-	-	-	-	6,119
Printing and Publications	114	-	-	-	-	-	-	-	-	-	-	114
Rent	2,705	-	-	-	-	-	-	-	-	-	-	2,705
Repairs and Maintenance	266	-	-	-	-	-	-	-	-	-	-	266
Salaries and Wages	117,639	-	-	-	-	-	-	-	-	-	-	117,639
Supplies	2,421	-	-	-	-	-	-	-	-	-	-	2,421
Taxes and Licenses	25	-	-	-	-	-	-	-	-	-	-	25
Telephone	3,530	-	-	-	-	-	-	-	-	-	-	3,530
Training	155	-	-	-	-	-	-	-	-	-	-	155
Travel	8,613	-	-	-	-	-	-	-	-	-	-	8,613
Utilities	328	-	-	-	-	-	-	-	-	-	-	328
Total	<u>\$ 310,403</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,403</u>

Thoroughbred Retirement Foundation, Inc.
Schedule of Fundraising Expenses by Location
For the Year Ended December 31, 2023

	Second Chance Programs											Total
	National	Sanctuary Farms	Blackburn	JJP Florida	Lowell	Maryland	Pleasant Valley State Prison	Vandalia	Walkill	Wateree SC	Wyoming	
Fundraising:												
Advertising	\$ 14,907	\$ 2,271	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,178
Appeal and Book	3,972	-	-	-	-	-	-	-	-	-	-	3,972
Bank Charges	19,798	-	-	-	-	-	-	-	-	-	-	19,798
Contract Labor	49,355	-	-	-	-	-	-	-	-	-	-	49,355
Dues	1,180	-	-	-	-	-	-	-	-	-	-	1,180
Employee Benefits	0	2,004	-	-	-	-	-	-	-	-	-	2,004
Equipment Rental	401	-	-	-	-	-	-	-	-	-	-	401
Insurance	1,408	-	-	-	-	-	-	-	-	-	-	1,408
Interest	760	-	-	-	-	-	-	-	-	-	-	760
Internet	680	-	-	-	-	-	-	-	-	-	-	680
Lease - Right of Use Expense	10,182	-	-	-	-	-	-	-	-	-	-	10,182
Office Supplies	2,898	131	-	-	-	-	-	-	-	-	-	3,029
Payroll Taxes	11,726	2,128	-	-	-	-	-	-	-	-	-	13,854
Postage and Freight	8,014	-	-	-	-	-	-	-	-	-	-	8,014
Printing and Publications	25,769	-	-	-	-	-	-	-	-	-	-	25,769
Promotional	20,323	-	-	-	-	-	-	-	-	-	-	20,323
Rent	3,600	-	-	-	-	-	-	-	-	-	-	3,600
Repairs and Maintenance	2,635	-	-	-	-	-	-	-	-	-	-	2,635
Salaries and Wages	219,643	26,957	-	-	-	-	-	-	-	-	-	246,600
Supplies	512	2,873	-	-	-	-	-	-	-	-	-	3,385
Telephone	295	-	-	-	-	-	-	-	-	-	-	295
Travel	15,688	269	-	-	-	-	-	-	-	-	-	15,957
Total	\$ 413,746	\$ 36,633	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,379

Thoroughbred Retirement Foundation, Inc.
Schedule of Fundraising Expenses by Location
For the Year Ended December 31, 2022

	Second Chance Programs											Total
	National	Sanctuary Farms	Blackburn	JJP Florida	Lowell	Maryland	Pleasant Valley State Prison	Vandalia	Walkill	Wateree SC	Wyoming	
Fundraising:												
Advertising	\$ 4,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,225
Appeal and Book	7,140	-	-	-	-	-	-	-	-	-	-	7,140
Bank Charges	7,980	-	-	-	-	-	-	-	-	-	-	7,980
Contract Labor	27,385	-	-	-	-	-	-	-	-	-	-	27,385
Dues	765	-	-	-	-	-	-	-	-	-	-	765
Employee Benefits	5,365	-	-	-	-	-	-	-	-	-	-	5,365
Equipment Rental	562	-	-	-	-	-	-	-	-	-	-	562
Insurance	787	-	-	-	-	-	-	-	-	-	-	787
Interest	732	-	-	-	-	-	-	-	-	-	-	732
Internet	818	-	-	-	-	-	-	-	-	-	-	818
Lease - Right of Use Expense	7,637	-	-	-	-	-	-	-	-	-	-	7,637
Office Supplies	13,278	-	-	-	-	-	-	-	-	-	-	13,278
Payroll Taxes	19,229	2,822	-	-	-	-	-	-	-	-	-	22,051
Postage and Freight	9,131	327	-	-	-	-	-	-	-	-	-	9,458
Printing and Publications	33,159	322	-	-	-	-	-	-	-	-	-	33,481
Promotional	34,189	-	-	-	-	-	-	-	-	-	-	34,189
Rent	1,600	-	-	-	-	-	-	-	-	-	-	1,600
Salaries and Wages	235,393	35,695	-	-	-	-	-	-	-	-	-	271,088
Supplies	2,455	1,519	-	-	-	-	-	-	-	-	-	3,974
Travel	11,047	-	-	-	1,288	-	-	-	-	-	-	12,335
Total	\$ 422,877	\$ 40,685	\$ -	\$ -	\$ 1,288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 464,850