

**THOROUGHBRED RETIREMENT FOUNDATION, INC.  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2024 AND 2023**

# THOROUGHBRED RETIREMENT FOUNDATION, INC.

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## 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 statements of financial position as of December 31, 2024 and 2023 and the related statements 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, 2024 and 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.

### 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, 2024 and 2023 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  
March 20, 2025

**Thoroughbred Retirement Foundation, Inc.**  
**Statements of Financial Position**  
**December 31, 2024 and 2023**

| <b>ASSETS</b>  |                      |                      |
|--|----------------------|----------------------|
|  | 2024                 | 2023                 |
| Current Assets   |                      |                      |
| Cash and Cash Equivalents                                    | \$ 363,853           | \$ 288,541           |
| Restricted Cash  | 134,131              | 186,425              |
| Contribution Receivables                                     | 131,169              | 81,443               |
| Prepaid Expenses   | 34,007               | 12,197               |
| Short-Term Investments                                       | 3,008,874            | 1,293,208            |
| Long-Term Investments  | 10,248,280           | 9,467,898            |
| Fixed Assets, Net of Depreciation                            | 417,288              | 208,512              |
| Operating Lease Right of Use Asset, net                      | 5,091                | 25,455               |
|  | <u>\$ 14,342,693</u> | <u>\$ 11,563,679</u> |
| <b>LIABILITIES AND NET ASSETS</b>                            |                      |                      |
| Current Liabilities  |                      |                      |
| Accounts Payable and Accrued Expenses                        | \$ 158,305           | \$ 193,465           |
| Current Portion Note Payable                                 | 7,675                | 7,368                |
| Operating Lease Liability, Current Portion                   | 5,361                | 20,916               |
|  | <u>171,341</u>       | <u>221,749</u>       |
| Long-Term Liabilities  |                      |                      |
| Note Payable, Less Current Portion                           | 5,999                | 13,683               |
| Noncurrent Operating Lease Liabilities, Less Current Portion | -                    | 5,361                |
| Total Long-Term Liabilities                                  | <u>5,999</u>         | <u>19,044</u>        |
|  | <u>177,340</u>       | <u>240,793</u>       |
| Net Assets   |                      |                      |
| Without Donor Restrictions                                   | 3,652,948            | 1,707,699            |
| With Donor Restrictions                                      | 10,512,405           | 9,615,187            |
|  | <u>14,165,353</u>    | <u>11,322,886</u>    |
| Total Net Assets   | <u>14,165,353</u>    | <u>11,322,886</u>    |
| Total Liabilities and Net Assets                             | <u>\$ 14,342,693</u> | <u>\$ 11,563,679</u> |

**Thoroughbred Retirement Foundation, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Year Ended December 31, 2024**

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                |
|--|-------------------------------|----------------------------|----------------------|
| Support and Revenue                    |                               |                            |                      |
| Contributions                          | \$ 1,751,157                  | \$ 348,933                 | \$ 2,100,090         |
| Bequests                               | 1,539,450                     |                            | 1,539,450            |
| In-Kind Contributions                  | 113,228                       | -                          | 113,228              |
| Grants                                 | 243,729                       | -                          | 243,729              |
| Special Events                         |                               |                            |                      |
| Revenues                               | 168,066                       | -                          | 168,066              |
| Less: Expenses                         | (116,809)                     | -                          | (116,809)            |
| Total Unrestricted Support and Revenue | <u>3,699,654</u>              | <u>348,933</u>             | <u>4,048,587</u>     |
| Other Revenue                          |                               |                            |                      |
| Investment Return, net                 | 94,171                        | 1,258,277                  | 1,352,448            |
| Rental Income                          | 600                           | -                          | 600                  |
| Net Assets Released from Restriction   |                               |                            |                      |
| Appropriation from Donor Endowment     | 477,895                       | (477,895)                  | -                    |
| Expiration of Time Restriction         | 232,097                       | (232,097)                  | -                    |
| Total Other Revenue                    | <u>804,763</u>                | <u>548,285</u>             | <u>1,353,048</u>     |
| Total Support and Revenue              | <u>4,504,417</u>              | <u>897,218</u>             | <u>5,401,635</u>     |
| Expenses                               |                               |                            |                      |
| Program Services                       | 1,754,670                     | -                          | 1,754,670            |
| Supporting Services                    |                               |                            |                      |
| General and Administrative             | 360,359                       | -                          | 360,359              |
| Fundraising                            | 444,139                       | -                          | 444,139              |
| Total Expenses                         | <u>2,559,168</u>              | <u>-</u>                   | <u>2,559,168</u>     |
| Change in net assets from operations   | 1,945,249                     | 897,218                    | 2,842,467            |
| Net assets at beginning of year        | <u>1,707,699</u>              | <u>9,615,187</u>           | <u>11,322,886</u>    |
| Net assets at end of year              | <u>\$ 3,652,948</u>           | <u>\$ 10,512,405</u>       | <u>\$ 14,165,353</u> |

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

|  | Without Donor<br>Restrictions | With Donor<br>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)            |
| Gain on Sale of Fixed Assets           | -                             | -                          | -                    |
| 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 Functional Expenses**  
**For the Year Ended December 31, 2024**

|  | <u>Program Services</u>   | <u>General and<br/>Administrative</u> | <u>Fundraising</u>       | <u>Direct Benefit<br/>to Donors</u> | <u>Total Expenses</u>      |
|--|---------------------------|---------------------------------------|--------------------------|-------------------------------------|----------------------------|
| Accounting   | \$ -                      | \$ 53,153                             | \$ -                     | \$ -                                | \$ 53,153                  |
| Advertising  | 30                        | 2,376                                 | 5,672                    | -                                   | 8,078                      |
| Appeal and Book  | -                         | -                                     | 5,370                    | -                                   | 5,370                      |
| Bank Charges   | -                         | 5,342                                 | 11,706                   | -                                   | 17,048                     |
| Blacksmith   | 84,685                    | -                                     | -                        | -                                   | 84,685                     |
| Board  | 277,102                   | -                                     | -                        | -                                   | 277,102                    |
| Contract Labor   | 37,390                    | 12,493                                | 25,460                   | -                                   | 75,343                     |
| Depreciation   | 63,863                    | -                                     | -                        | -                                   | 63,863                     |
| Dues   | 428                       | 17,355                                | 1,841                    | -                                   | 19,624                     |
| Employee Benefits  | 52,087                    | 9,949                                 | 13,892                   | -                                   | 75,928                     |
| Equipment Rental   | 18,706                    | 3,266                                 | 401                      | -                                   | 22,373                     |
| Feed, Hay, and Straw   | 414,786                   | -                                     | -                        | -                                   | 414,786                    |
| Insurance  | 21,731                    | 18,496                                | 818                      | -                                   | 41,045                     |
| Interest   | 790                       | 505                                   | 342                      | -                                   | 1,637                      |
| Internet   | -                         | 769                                   | 769                      | -                                   | 1,538                      |
| Lease Amortization, Right of Use Asset   | -                         | 10,182                                | 10,182                   | -                                   | 20,364                     |
| Non-recurring Legal Fees   | -                         | 5,834                                 | -                        | -                                   | 5,834                      |
| Medical Supplies   | 74,113                    | -                                     | -                        | -                                   | 74,113                     |
| Office Supplies  | 6,425                     | 12,137                                | 6,188                    | -                                   | 24,750                     |
| Pasture Maintenance  | 8,755                     | -                                     | -                        | -                                   | 8,755                      |
| Payroll Taxes  | 29,622                    | 12,347                                | 14,455                   | -                                   | 56,424                     |
| Postage and Freight  | 5,675                     | 3,465                                 | 8,111                    | -                                   | 17,251                     |
| Printing and Publications  | -                         | 514                                   | 21,899                   | -                                   | 22,413                     |
| Promotional  | -                         | -                                     | 2,420                    | 116,809                             | 119,229                    |
| Rent   | 15,000                    | 7,648                                 | 5,580                    | -                                   | 28,228                     |
| Repairs and Maintenance  | 16,357                    | 1,200                                 | -                        | -                                   | 17,557                     |
| Salaries and Wages   | 363,447                   | 164,650                               | 293,169                  | -                                   | 821,266                    |
| Supplies   | 43,809                    | 25                                    | 505                      | -                                   | 44,339                     |
| Taxes and Licenses   | 186                       | -                                     | -                        | -                                   | 186                        |
| Telephone  | 3,767                     | 3,561                                 | -                        | -                                   | 7,328                      |
| Transportation   | 24,149                    | -                                     | -                        | -                                   | 24,149                     |
| Travel   | 31,813                    | 15,092                                | 15,359                   | -                                   | 62,264                     |
| Training   | 22,640                    | -                                     | -                        | -                                   | 22,640                     |
| Utilities  | 7,572                     | -                                     | -                        | -                                   | 7,572                      |
| Veterinarian and Dental  | 129,742                   | -                                     | -                        | -                                   | 129,742                    |
| <b>Total Expenses</b>  | <b>1,754,670</b>          | <b>360,359</b>                        | <b>444,139</b>           | <b>116,809</b>                      | <b>2,675,977</b>           |
| Less Expenses Included with Revenues<br>on the Statement of Activities                   | -                         | -                                     | -                        | (116,809)                           | (116,809)                  |
| <b>Total Expenses Included in<br/>Expense Section on the Statement<br/>of Activities</b> | <b><u>\$1,754,670</u></b> | <b><u>\$ 360,359</u></b>              | <b><u>\$ 444,139</u></b> | <b><u>\$ -</u></b>                  | <b><u>\$ 2,559,168</u></b> |

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

|  | <u>Program Services</u>   | <u>General and<br/>Administrative</u> | <u>Fundraising</u>       | <u>Direct Benefit<br/>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                   | 186,756                             | 207,079                    |
| 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                    |
| <b>Total Expenses</b>  | <b>1,561,423</b>          | <b>389,632</b>                        | <b>450,379</b>           | <b>186,756</b>                      | <b>2,588,190</b>           |
| Less Expenses Included with Revenues<br>on the Statement of Activities                   | -                         | -                                     | -                        | (186,756)                           | (186,756)                  |
| <b>Total Expenses Included in<br/>Expense Section on the Statement<br/>of Activities</b> | <b><u>\$1,561,423</u></b> | <b><u>\$ 389,632</u></b>              | <b><u>\$ 450,379</u></b> | <b><u>\$ -</u></b>                  | <b><u>\$ 2,401,434</u></b> |

**Thoroughbred Retirement Foundation, Inc.**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2024 and 2023**

|   | 2024         | 2023         |
|---|--------------|--------------|
| Cash Flows From Operating Activities:   |              |              |
| Change in net assets  | \$ 2,842,467 | \$ 1,458,439 |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities: |              |              |
| Depreciation  | 63,863       | 54,903       |
| Amortization of Operating Lease Right of Use Asset  | 20,364       | 20,364       |
| Unrealized and Realized Gain on Investments, net  | (1,330,230)  | (1,275,086)  |
| Changes in operating assets and liabilities   |              |              |
| Contribution Receivables  | (49,726)     | (10,279)     |
| Prepaid Expenses  | (21,810)     | (961)        |
| Accounts payables and accrued expenses  | (35,160)     | 29,401       |
| Net cash provided by operating activities   | 1,489,768    | 276,781      |
| Cash Flows From Investing Activities:   |              |              |
| Acquisitions of property and equipment  | (271,806)    | (10,155)     |
| (Decrease) Increase in Restricted Cash  | (52,294)     | (33,714)     |
| Increase in Short-Term Investments  | (1,715,666)  | (522,502)    |
| (Increase) Decrease in Long-Term Investments  | 653,603      | 288,703      |
| Net cash used in investing activities   | (1,386,163)  | (277,668)    |
| Cash Flows From Financing Activities:   |              |              |
| Repayments on Notes Payable   | (7,377)      | (7,096)      |
| Repayments of Operating Lease Liability   | (20,916)     | (20,079)     |
| Net cash used in financing activities   | (28,293)     | (27,175)     |
| Net change in cash and cash equivalents   | 75,312       | (28,062)     |
| Cash and cash equivalents, at beginning of year   | 288,541      | 316,603      |
| Cash and cash equivalents, at end of year   | \$ 363,853   | \$ 288,541   |
| Supplemental Disclosure of Cash Flow Information  |              |              |
| Non-Cash Operating Activities   |              |              |
| In-Kind Contributions   | \$ 113,228   | \$ 87,950    |
| Cash paid for interest expense  | \$ 1,637     | \$ 1,312     |

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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**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, 2024 and 2023, from which the summarized information was derived.

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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**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, 2024 and 2023. As of December 31, 2024 and 2023, the Foundation’s uninsured cash balance total approximately:

|                           | 2024      | 2023       |
|---------------------------|-----------|------------|
| Cash and Cash Equivalents | \$ 10,146 | \$ 167,943 |
| Restricted Cash           | 1,427     | -          |
|                           | \$ 11,573 | \$ 167,943 |

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, 2024 and 2023 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, 2024 and 2023.

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

**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, 2024 and 2023, respectively.

|                         | 2024       | 2023      |
|-------------------------|------------|-----------|
| Blacksmith              | \$ 5,392   | \$ 3,586  |
| Capital Expenses        | -          | 3,000     |
| Feed, Hay and Straw     | 21,164     | 16,667    |
| Repairs and Maintenance | -          | 134       |
| Medical Supplies        | 32,605     | 8,386     |
| Supplies                | 1,297      | 5,006     |
| Special Events          | 47,711     | 45,955    |
| Transportation          | 1,500      | -         |
| Utilities               | -          | 226       |
| Veterinarian and Dental | 3,559      | 4,990     |
|                         | \$ 113,228 | \$ 87,950 |

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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**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 \$8,078 and \$18,902 for December 31, 2024 and 2023, 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, 2024, 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, 2024, is subject to examination by the Internal Revenue Service generally three to four years after the returns were filed.

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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

*Subsequent Events*

Subsequent events were considered by the Foundation for recognition or disclosures through March 20, 2025, which is the date the financial statements were available to be issued. The Organization contracted into an agreement to obtain a board approved strategic plan which will be implemented over the next three years, see Note 12.

*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, 2024 and 2023**

**Note 2 – Fair Value Measurements and Disclosures (concluded)**

| <u>December 31, 2024</u>    | <u>Total</u>         | Fair Value Measurements at Report Date Using                                      |  |  |
|-----------------------------|----------------------|---|--|--|
|                             |                      | <u>Quoted Prices in<br/>Active Markets<br/>for Identical<br/>Assets (Level 1)</u> | <u>Significant<br/>Other<br/>Observable<br/>Inputs (Level 2)</u> | <u>Significant<br/>Unobservable<br/>Inputs (Level 3)</u> |
| Operating Investments:      |                      |   |  |  |
| Cash and Money Market Funds | \$ 1,554,957         | \$ 1,554,957  | \$ -   | \$ -   |
| Fixed Income                | 1,453,917            | 1,453,917   | -  | -  |
| Exchange Traded Funds       | -                    | -   | -  | -  |
|                             | <u>3,008,874</u>     | <u>3,008,874</u>  | <u>-</u>   | <u>-</u>   |
| Endowment Investments:      |                      |   |  |  |
| Cash and Money Market Funds | 359,099              | 359,099   | -  | -  |
| Fixed Income                | 1,194,346            | 1,194,346   | -  | -  |
| Equities                    | 4,480,761            | 4,480,761   | -  | -  |
| Exchange Traded Funds       | 3,848,422            | 3,848,422   | -  | -  |
| Other Assets                | 365,652              | 365,652   | -  | -  |
|                             | <u>10,248,280</u>    | <u>10,248,280</u>   | <u>-</u>   | <u>-</u>   |
| Total Investments           | <u>\$ 13,257,154</u> | <u>\$ 13,257,154</u>  | <u>\$ -</u>  | <u>\$ -</u>  |

| <u>December 31, 2023</u>    | <u>Total</u>         | Fair Value Measurements at Report Date Using                                      |  |  |
|-----------------------------|----------------------|---|--|--|
|                             |                      | <u>Quoted Prices in<br/>Active Markets<br/>for Identical<br/>Assets (Level 1)</u> | <u>Significant<br/>Other<br/>Observable<br/>Inputs (Level 2)</u> | <u>Significant<br/>Unobservable<br/>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>\$ 10,761,106</u> | <u>\$ 10,761,106</u>  | <u>\$ -</u>  | <u>\$ -</u>  |

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

**Note 3 – Fixed Assets**

Property and equipment consist of the following at December 31, 2024 and 2023:

|                                   | 2024         | 2023         |
|-----------------------------------|--------------|--------------|
| Property, Equipment and Fixtures  | \$ 1,382,500 | \$ 1,110,694 |
| Less: accumulated depreciation    | (965,212)    | (902,182)    |
| Fixed Assets, Net of Depreciation | \$ 417,288   | \$ 208,512   |

Depreciation expense was \$63,863 and \$54,903 for the years ending December 31, 2024 and 2023.

**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, 2024 and 2023 are as follows:

|   | 2024          | 2023         |
|---|---------------|--------------|
| Donor restricted for Santulli Hay and Feed Fund                                       | \$ 45,862     | \$ 60,298    |
| Donor restricted for BMO Charitable   | 130,000       | -            |
| Donor restricted for Blackburn  | 7,360         | 32,189       |
| Donor restricted for 2nd Chances Expansion  | 54,802        | 54,802       |
| Donor restricted for Pleasant Valley State Prison<br>- Second Chances Program         | 26,001        | -            |
| Donor Restricted Endowment Funds:   |               |              |
| Original Donor Restricted Gift Amount and<br>Amounts Required to be Retained by Donor | 6,000,000     | 6,000,000    |
| Portion Subject to Appropriation Under NYPMIFA  | 4,248,280     | 3,467,898    |
| Total Net Assets with Donor Restrictions  | \$ 10,512,305 | \$ 9,615,187 |

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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**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, 2024 and 2023**

**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 31<sup>st</sup>. 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”) reached 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, 2024 and 2023, the Foundation has expended \$651,665 of this appropriation.

Endowment net asset composition by type of fund as of December 31, 2024 and 2023, is as follows:

| Donor Restricted Endowment Funds:   | 2024          | 2023         |
|---|---------------|--------------|
| Original Donor Restricted Gift Amount and<br>Amounts Required to be Retained by Donor | \$ 6,000,000  | \$ 6,000,000 |
| Portion Subject to Appropriation Under NYPMIFA  | 4,248,280     | 3,467,898    |
| Total Funds   | \$ 10,248,280 | \$ 9,467,898 |

Changes in endowment funds as of December 31, 2024 and 2023, are as follows:

|   | 2024          | 2023         |
|---|---------------|--------------|
| Endowment Net assets, Beginning of Year           | \$ 9,467,898  | \$ 8,481,515 |
| Investment Return, Net                            | 1,258,277     | 1,410,459    |
| Appropriation of Endowment Assets for Expenditure | (477,895)     | (424,076)    |
| Endowment Net assets, End of Year                 | \$ 10,248,280 | \$ 9,467,898 |

**Note 6 – Operating Lease Right of Use Asset**

The Foundation has a non-cancelable operating lease for the use of office space which expired in March 2025, and was renewed on a month to month basis in 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, 2024 and 2023**

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

| <i>Statement of Financial Position</i>         | 2024      | 2023      |
|--|-----------|-----------|
| Operating Lease Right of Use Asset             | 61,092    | 61,092    |
| Less: Accumulated Amortization-Operating Lease | (56,001)  | (35,637)  |
| Operating Lease Right of Use Asset, net        | \$ 5,091  | \$ 25,455 |
|  |           |           |
|  | 2024      | 2023      |
| Operating Lease Liability, current portion     | 5,361     | 20,916    |
| Noncurrent Operating Lease Liabilities         | -         | 5,361     |
| Total Liabilities                              | \$ 5,361  | \$ 26,277 |
|  |           |           |
|  | 2024      | 2023      |
| Lease Amortization, Right of Use Asset         | \$ 20,364 | \$ 20,364 |

Estimated future amortization expenses for operating lease right of use asset as of December 31, 2024, was as follows:

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

| December |          |
|----------|----------|
| 2025     | 5,091    |
| Total    | \$ 5,091 |

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

| December               |          |
|------------------------|----------|
| 2025                   | 5,400    |
| Total                  | \$ 5,400 |
| Less: Interest expense | (39)     |
| Total                  | \$ 5,361 |

**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, 2024 and 2023 there are eight such programs.

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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**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 fixed \$20,000 for the property, payable in four installments. Actual rent expense to the Foundation for the year ended December 31, 2024 and 2023, 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, 2024- March 14, 2026, with an annual payment of \$1.

**Note 8 – Note Payable**

|   | 2024      | 2023      |
|---|-----------|-----------|
| Note payable to a financial institution, due in 60 monthly payments of \$676, including interest of 4.09% through October 2026, secured by equipment. | \$ 13,674 | \$ 21,051 |
| Less: Current maturities  | (7,675)   | (7,368)   |
| Note payable long-term portion  | \$ 5,999  | \$ 13,683 |

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

| Years Ending December 31, |    |        |
|---------------------------|----|--------|
| 2025                      | \$ | 7,675  |
| 2026                      |    | 5,999  |
|                           | \$ | 13,674 |

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

**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, 2024 and 2023, and \$134,131 and \$220,139 that will be released from donor-restricted contributions approved throughout the years December 31, 2024 and 2023, respectively.

| Financial Assets consist of the following:  | 2024          | 2023          |
|---|---------------|---------------|
| Cash and cash equivalents   | \$ 363,853    | \$ 288,541    |
| Restricted Cash   | 134,131       | 186,425       |
| Contribution Receivables  | 131,169       | 81,443        |
| Short-Term Investments  | 3,008,874     | 1,293,208     |
| Long-Term Investments   | 10,248,280    | 9,467,898     |
|   | \$ 13,886,307 | \$ 11,317,515 |
|   | 2024          | 2023          |
| Financial Assets at Year-End  | \$ 13,886,307 | \$ 11,317,515 |
| Subject to expenditure for specified purpose:   |               |               |
| Donor-restricted to maintain endowment  | 10,198,280    | 9,417,898     |
| Donor-restricted for care and maintenance<br>of retired thoroughbred horses, with a racing record | 134,131       | 220,139       |
| Financial assets available to meet cash needs for general<br>expenditures                         | \$ 3,553,896  | \$ 1,679,478  |

**Note 10 – 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, 2024 and 2023, the Foundation did not contribute or match employees contribution.

**Thoroughbred Retirement Foundation, Inc.**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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**Note 11 – Strategic Plan**

The Organization contracted into an agreement to obtain a board approved strategic plan which will be implemented over the next three years, expenditures for the plan are included in prepaid expenses and will be amortized over the term of the project. The strategic planning process identifies strategies that will best enable the Organization to advance its mission, commit to measurable goals, approve priorities for implementation, and also make a plan to revisit the strategy on an ongoing basis as the internal and external environments change.



## **Supplemental Schedules**

**Thoroughbred Retirement Foundation, Inc.**  
**Summary Schedule of Revenues and Expenses by Location**  
**For the Year Ended December 31, 2024**

|   | <b>Second Chance Programs</b> |                        |                    |                    |                    |                    |                                     |                 |                    |                    |                    | <b>Total</b>        |
|---|-------------------------------|------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------------------|-----------------|--------------------|--------------------|--------------------|---------------------|
|   | <b>National</b>               | <b>Sanctuary Farms</b> | <b>Blackburn</b>   | <b>JJP Florida</b> | <b>Lowell</b>      | <b>Maryland</b>    | <b>Pleasant Valley State Prison</b> | <b>Vandalia</b> | <b>Walkkill</b>    | <b>Wateree SC</b>  | <b>Wyoming</b>     |                     |
| <b>Revenue:</b>   |                               |                        |                    |                    |                    |                    |                                     |                 |                    |                    |                    |                     |
| Unrestricted Revenue  | \$ 3,321,985                  | \$ 53,344              | \$ 70,534          | \$ 1,066           | \$ 123,257         | \$ 1,897           | \$ 72,010                           | \$ -            | \$ 39,936          | \$ 14,654          | \$ 971             | \$ 3,699,654        |
| <b>Total Revenue</b>  | <u>3,321,985</u>              | <u>53,344</u>          | <u>70,534</u>      | <u>1,066</u>       | <u>123,257</u>     | <u>1,897</u>       | <u>72,010</u>                       | <u>-</u>        | <u>39,936</u>      | <u>14,654</u>      | <u>971</u>         | <u>3,699,654</u>    |
| <b>Program, Administrative and Fundraising Expenses:</b>      |                               |                        |                    |                    |                    |                    |                                     |                 |                    |                    |                    |                     |
| Program Services  | 331,860                       | 727,770                | 120,474            | 13,863             | 216,835            | 40,491             | 51,338                              | -               | 130,720            | 86,204             | 35,115             | 1,754,670           |
| Management and General  | 360,359                       | -                      | -                  | -                  | -                  | -                  | -                                   | -               | -                  | -                  | -                  | 360,359             |
| Fundraising   | 406,897                       | 37,242                 | -                  | -                  | -                  | -                  | -                                   | -               | -                  | -                  | -                  | 444,139             |
| <b>Total Program, Administrative and Fundraising Expenses</b> | <u>1,099,116</u>              | <u>765,012</u>         | <u>120,474</u>     | <u>13,863</u>      | <u>216,835</u>     | <u>40,491</u>      | <u>51,338</u>                       | <u>-</u>        | <u>130,720</u>     | <u>86,204</u>      | <u>35,115</u>      | <u>2,559,168</u>    |
| <b>Excess (Deficiency) of Revenue over Expenses</b>           | <u>\$ 2,222,869</u>           | <u>\$ (711,668)</u>    | <u>\$ (49,940)</u> | <u>\$ (12,797)</u> | <u>\$ (93,578)</u> | <u>\$ (38,594)</u> | <u>\$ 20,672</u>                    | <u>\$ -</u>     | <u>\$ (90,784)</u> | <u>\$ (71,550)</u> | <u>\$ (34,144)</u> | <u>\$ 1,140,486</u> |

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

|   | <b>Second Chance Programs</b> |                        |                    |                    |                    |                    |                                     |                 |                     |                    |                    | <b>Total</b>     |
|---|-------------------------------|------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------------------|-----------------|---------------------|--------------------|--------------------|------------------|
|   | <b>National</b>               | <b>Sanctuary Farms</b> | <b>Blackburn</b>   | <b>JJP Florida</b> | <b>Lowell</b>      | <b>Maryland</b>    | <b>Pleasant Valley State Prison</b> | <b>Vandalia</b> | <b>Walkkill</b>     | <b>Wateree SC</b>  | <b>Wyoming</b>     |                  |
| <b>Revenue:</b>   |                               |                        |                    |                    |                    |                    |                                     |                 |                     |                    |                    |                  |
| Unrestricted Revenue  | \$ 2,105,197                  | \$ 104,649             | \$ 14,746          | \$ -               | \$ 58,210          | \$ 4,826           | \$ 73,678                           | \$ 937          | \$ 32,273           | \$ 17,890          | \$ 239             | \$ 2,412,645     |
| <b>Total Revenue</b>  | <u>2,105,197</u>              | <u>104,649</u>         | <u>14,746</u>      | <u>-</u>           | <u>58,210</u>      | <u>4,826</u>       | <u>73,678</u>                       | <u>937</u>      | <u>32,273</u>       | <u>17,890</u>      | <u>239</u>         | <u>2,412,645</u> |
| <b>Program, Administrative and Fundraising Expenses:</b>      |                               |                        |                    |                    |                    |                    |                                     |                 |                     |                    |                    |                  |
| Program Services  | 311,330                       | 688,087                | 103,730            | 10,332             | 155,631            | 29,243             | 55,040                              | 1,553           | 142,187             | 33,972             | 30,318             | 1,561,423        |
| Management and General  | 389,632                       | -                      | -                  | -                  | -                  | -                  | -                                   | -               | -                   | -                  | -                  | 389,632          |
| Fundraising   | 413,746                       | 36,633                 | -                  | -                  | -                  | -                  | -                                   | -               | -                   | -                  | -                  | 450,379          |
| <b>Total Program, Administrative and Fundraising Expenses</b> | <u>1,114,708</u>              | <u>724,720</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>33,972</u>      | <u>30,318</u>      | <u>2,401,434</u> |
| <b>Excess (Deficiency) of Revenue over Expenses</b>           | <u>\$ 990,489</u>             | <u>\$ (620,071)</u>    | <u>\$ (88,984)</u> | <u>\$ (10,332)</u> | <u>\$ (97,421)</u> | <u>\$ (24,417)</u> | <u>\$ 18,638</u>                    | <u>\$ (616)</u> | <u>\$ (109,914)</u> | <u>\$ (16,082)</u> | <u>\$ (30,079)</u> | <u>\$ 11,211</u> |

**Thoroughbred Retirement Foundation, Inc.**  
**Schedule of Program Services by Location**  
**For the Year Ended December 31, 2024**

|                          | <b>Second Chance Programs</b> |                        |                   |                    |                   |                  |                                     |                 |                   |                   |                  | <b>Total</b>        |
|--------------------------|-------------------------------|------------------------|-------------------|--------------------|-------------------|------------------|-------------------------------------|-----------------|-------------------|-------------------|------------------|---------------------|
|                          | <b>National</b>               | <b>Sanctuary Farms</b> | <b>Blackburn</b>  | <b>JJP Florida</b> | <b>Lowell</b>     | <b>Maryland</b>  | <b>Pleasant Valley State Prison</b> | <b>Vandalia</b> | <b>Walkkill</b>   | <b>Wateree SC</b> | <b>Wyoming</b>   |                     |
| <b>Program Services:</b> |                               |                        |                   |                    |                   |                  |                                     |                 |                   |                   |                  |                     |
| Advertising              | \$ -                          | \$ 30                  | \$ -              | \$ -               | \$ -              | \$ -             | \$ -                                | \$ -            | \$ -              | \$ -              | \$ -             | \$ 30               |
| Blacksmith               | -                             | 36,752                 | 17,462            | 2,213              | 10,688            | 2,250            | -                                   | -               | 6,175             | 5,580             | 3,565            | 84,685              |
| Board                    | -                             | 277,102                | -                 | -                  | -                 | -                | -                                   | -               | -                 | -                 | -                | 277,102             |
| Contract Labor           | -                             | 2,898                  | -                 | -                  | 22,514            | -                | 11,677                              | -               | -                 | -                 | 301              | 37,390              |
| Depreciation             | 812                           | 13,671                 | 12,667            | 5,976              | 9,570             | 641              | -                                   | 7,019           | 6,590             | 6,917             | 6,917            | 63,863              |
| Dues                     | 88                            | 340                    | -                 | -                  | -                 | -                | -                                   | -               | -                 | -                 | -                | 428                 |
| Employee Benefits        | 24,810                        | 25,039                 | -                 | -                  | -                 | -                | -                                   | -               | 1,828             | 410               | -                | 52,087              |
| Equipment Rental         | -                             | 1,959                  | 2,012             | -                  | 4,634             | 159              | 254                                 | 3,959           | 5,531             | 198               | -                | 18,706              |
| Feed, Hay, and Straw     | -                             | 122,024                | 31,127            | 321                | 111,168           | 24,738           | 10,392                              | 60,677          | 41,707            | 12,632            | -                | 414,786             |
| Insurance                | 13,658                        | 8,073                  | -                 | -                  | -                 | -                | -                                   | -               | -                 | -                 | -                | 21,731              |
| Interest                 | 797                           | -                      | -                 | -                  | (7)               | -                | -                                   | -               | -                 | -                 | -                | 790                 |
| Medical Supplies         | 30,239                        | 17,101                 | 10,879            | 45                 | 4,579             | 4,543            | 570                                 | 2,213           | 2,700             | 1,244             | -                | 74,113              |
| Office Supplies          | 530                           | 949                    | 62                | 219                | 3,878             | 149              | 188                                 | 6               | -                 | 444               | -                | 6,425               |
| Pasture Maintenance      | -                             | -                      | 4,945             | -                  | 855               | -                | -                                   | 2,695           | 260               | -                 | -                | 8,755               |
| Payroll Taxes            | 15,081                        | 11,059                 | -                 | -                  | 1,878             | -                | -                                   | 1,604           | -                 | -                 | -                | 29,622              |
| Postage and Freight      | 4,463                         | 40                     | 29                | -                  | 70                | 914              | -                                   | 107             | 7                 | 45                | -                | 5,675               |
| Rent                     | -                             | 15,000                 | -                 | -                  | -                 | -                | -                                   | -               | -                 | -                 | -                | 15,000              |
| Repairs and Maintenance  | -                             | 578                    | 1,975             | 169                | 4,360             | 720              | 1,564                               | 626             | 6,172             | 193               | -                | 16,357              |
| Salaries and Wages       | 188,663                       | 134,355                | -                 | -                  | 23,955            | -                | -                                   | 16,474          | -                 | -                 | -                | 363,447             |
| Supplies                 | 4,740                         | 9,904                  | 4,376             | 815                | 10,421            | 2,806            | 1,946                               | 4,738           | 2,614             | 1,449             | -                | 43,809              |
| Taxes and Licenses       | -                             | -                      | 114               | -                  | -                 | -                | 72                                  | -               | -                 | -                 | -                | 186                 |
| Telephone                | -                             | -                      | -                 | -                  | 2,152             | -                | -                                   | 1,615           | -                 | -                 | -                | 3,767               |
| Transportation           | 21,450                        | 1,367                  | 56                | -                  | 790               | -                | -                                   | -               | 444               | 42                | -                | 24,149              |
| Travel                   | 25,746                        | 3,540                  | -                 | 535                | 614               | 18               | 390                                 | 295             | 389               | 286               | -                | 31,813              |
| Training                 | -                             | -                      | -                 | -                  | 132               | -                | 22,500                              | -               | -                 | 8                 | -                | 22,640              |
| Utilities                | -                             | 1,812                  | 1,408             | -                  | 900               | -                | -                                   | 3,452           | -                 | -                 | -                | 7,572               |
| Veterinarian and Dental  | 783                           | 44,177                 | 33,362            | 3,570              | 3,684             | 3,553            | 1,785                               | 19,065          | 12,382            | 7,381             | -                | 129,742             |
| <b>Total</b>             | <b>\$ 331,860</b>             | <b>\$ 727,770</b>      | <b>\$ 120,474</b> | <b>\$ 13,863</b>   | <b>\$ 216,835</b> | <b>\$ 40,491</b> | <b>\$ 51,338</b>                    | <b>\$ -</b>     | <b>\$ 130,720</b> | <b>\$ 86,204</b>  | <b>\$ 35,115</b> | <b>\$ 1,754,670</b> |

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

|                          | <b>Second Chance Programs</b> |                        |                   |                    |                   |                  |                                     |                 |                   |                   |                  | <b>Total</b>        |
|--------------------------|-------------------------------|------------------------|-------------------|--------------------|-------------------|------------------|-------------------------------------|-----------------|-------------------|-------------------|------------------|---------------------|
|                          | <b>National</b>               | <b>Sanctuary Farms</b> | <b>Blackburn</b>  | <b>JJP Florida</b> | <b>Lowell</b>     | <b>Maryland</b>  | <b>Pleasant Valley State Prison</b> | <b>Vandalia</b> | <b>Walkkill</b>   | <b>Wateree SC</b> | <b>Wyoming</b>   |                     |
| <b>Program Services:</b> |                               |                        |                   |                    |                   |                  |                                     |                 |                   |                   |                  |                     |
| Advertising              | \$ 1,317                      | \$ -                   | \$ -              | \$ -               | \$ -              | \$ -             | \$ -                                | \$ -            | \$ -              | \$ 20             | \$ -             | \$ 1,337            |
| Bank Charges             | -                             | -                      | -                 | -                  | -                 | -                | -                                   | -               | -                 | -                 | -                | -                   |
| 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                         | 4,600                  | 5,439             | -                  | 2,227             | 3,073            | -                                   | -               | 1,721             | 34                | 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            | 29,924              |
| 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             |
| <b>Total</b>             | <u>\$ 311,330</u>             | <u>\$ 688,087</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>\$ 33,972</u>  | <u>\$ 30,318</u> | <u>\$ 1,561,423</u> |

**Thoroughbred Retirement Foundation, Inc.**  
**Schedule of General and Administration Expenses by Location**  
**For the Year Ended December 31, 2024**

|                                    | <u>Second Chance Programs</u> |                        |                  |                    |               |                 |                                     |                 |                 |                   |                | <u>Total</u>      |
|------------------------------------|-------------------------------|------------------------|------------------|--------------------|---------------|-----------------|-------------------------------------|-----------------|-----------------|-------------------|----------------|-------------------|
|                                    | <u>National</u>               | <u>Sanctuary Farms</u> | <u>Blackburn</u> | <u>JJP Florida</u> | <u>Lowell</u> | <u>Maryland</u> | <u>Pleasant Valley State Prison</u> | <u>Vandalia</u> | <u>Wallkill</u> | <u>Wateree SC</u> | <u>Wyoming</u> |                   |
| <b>General and Administrative:</b> |                               |                        |                  |                    |               |                 |                                     |                 |                 |                   |                |                   |
| Accounting                         | \$ 53,153                     | \$ -                   | \$ -             | \$ -               | \$ -          | \$ -            | \$ -                                | \$ -            | \$ -            | \$ -              | \$ -           | \$ 53,153         |
| Advertising                        | 2,376                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 2,376             |
| Bank Charges                       | 5,342                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 5,342             |
| Contract Labor                     | 12,493                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 12,493            |
| Dues                               | 17,355                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 17,355            |
| Employee Benefits                  | 9,949                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 9,949             |
| Equipment Rental                   | 3,266                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 3,266             |
| Insurance                          | 18,496                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 18,496            |
| Interest                           | 505                           | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 505               |
| Internet                           | 769                           | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 769               |
| Lease Amortization, Right of Use A | 10,182                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 10,182            |
| Non-recurring Legal Fees           | 5,834                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 5,834             |
| Miscellaneous Expense              | -                             | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | -                 |
| Office Supplies                    | 12,137                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 12,137            |
| Payroll Taxes                      | 12,347                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 12,347            |
| Postage and Freight                | 3,465                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 3,465             |
| Printing and Publications          | 514                           | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 514               |
| Rent                               | 7,648                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 7,648             |
| Repairs and Maintenance            | 1,200                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 1,200             |
| Salaries and Wages                 | 164,650                       | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 164,650           |
| Supplies                           | 25                            | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 25                |
| Taxes and Licenses                 | -                             | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | -                 |
| Telephone                          | 3,561                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 3,561             |
| Training                           | -                             | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | -                 |
| Travel                             | 15,092                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 15,092            |
| Utilities                          | -                             | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | -                 |
| <b>Total</b>                       | <u>\$ 360,359</u>             | <u>\$ -</u>            | <u>\$ -</u>      | <u>\$ -</u>        | <u>\$ -</u>   | <u>\$ -</u>     | <u>\$ -</u>                         | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>       | <u>\$ -</u>    | <u>\$ 360,359</u> |

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

|                                    | <b>Second Chance Programs</b> |                        |                  |                    |               |                 |                                     |                 |                 |                    |                | <b>Total</b>      |
|------------------------------------|-------------------------------|------------------------|------------------|--------------------|---------------|-----------------|-------------------------------------|-----------------|-----------------|--------------------|----------------|-------------------|
|                                    | <b>National</b>               | <b>Sanctuary Farms</b> | <b>Blackburn</b> | <b>JJP Florida</b> | <b>Lowell</b> | <b>Maryland</b> | <b>Pleasant Valley State Prison</b> | <b>Vandalia</b> | <b>Wallkill</b> | <b>Waterlee SC</b> | <b>Wyoming</b> |                   |
| <b>General and Administrative:</b> |                               |                        |                  |                    |               |                 |                                     |                 |                 |                    |                |                   |
| 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              | 0                             | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                  | -              | -                 |
| 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                           | 0                             | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                  | -              | -                 |
| Travel                             | 19,297                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                  | -              | 19,297            |
| Utilities                          | 10                            | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                  | -              | 10                |
| <b>Total</b>                       | <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 Fundraising Expenses by Location**  
**For the Year Ended December 31, 2024**

|                              | <b>Second Chance Programs</b> |                        |                  |                    |               |                 |                                     |                 |                 |                   |                | <b>Total</b>      |
|------------------------------|-------------------------------|------------------------|------------------|--------------------|---------------|-----------------|-------------------------------------|-----------------|-----------------|-------------------|----------------|-------------------|
|                              | <b>National</b>               | <b>Sanctuary Farms</b> | <b>Blackburn</b> | <b>JJP Florida</b> | <b>Lowell</b> | <b>Maryland</b> | <b>Pleasant Valley State Prison</b> | <b>Vandalia</b> | <b>Wallkill</b> | <b>Wateree SC</b> | <b>Wyoming</b> |                   |
| <b>Fundraising:</b>          |                               |                        |                  |                    |               |                 |                                     |                 |                 |                   |                |                   |
| Advertising                  | \$ 5,672                      | \$ -                   | \$ -             | \$ -               | \$ -          | \$ -            | \$ -                                | \$ -            | \$ -            | \$ -              | \$ -           | \$ 5,672          |
| Appeal and Book              | 5,370                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 5,370             |
| Bank Charges                 | 11,706                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 11,706            |
| Contract Labor               | 25,460                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 25,460            |
| Dues                         | 1,841                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 1,841             |
| Employee Benefits            | 9,630                         | 4,262                  | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 13,892            |
| Equipment Rental             | 401                           | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 401               |
| Insurance                    | 818                           | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 818               |
| Interest                     | 342                           | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 342               |
| Internet                     | 769                           | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 769               |
| Lease - Right of Use Expense | 10,182                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 10,182            |
| Office Supplies              | 6,008                         | 180                    | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 6,188             |
| Payroll Taxes                | 12,499                        | 1,956                  | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 14,455            |
| Postage and Freight          | 8,111                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 8,111             |
| Printing and Publications    | 21,899                        | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 21,899            |
| Promotional                  | 2,420                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 2,420             |
| Rent                         | 5,580                         | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 5,580             |
| Repairs and Maintenance      | -                             | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | -                 |
| Salaries and Wages           | 262,417                       | 30,752                 | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 293,169           |
| Supplies                     | 505                           | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 505               |
| Telephone                    | -                             | -                      | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | -                 |
| Travel                       | 15,267                        | 92                     | -                | -                  | -             | -               | -                                   | -               | -               | -                 | -              | 15,359            |
| <b>Total</b>                 | <u>\$ 406,897</u>             | <u>\$ 37,242</u>       | <u>\$ -</u>      | <u>\$ -</u>        | <u>\$ -</u>   | <u>\$ -</u>     | <u>\$ -</u>                         | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>       | <u>\$ -</u>    | <u>\$ 444,139</u> |



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

|                              | <b>Second Chance Programs</b> |                        |                  |                    |               |                 |                                     |                 |                |                   |                | <b>Total</b>      |
|------------------------------|-------------------------------|------------------------|------------------|--------------------|---------------|-----------------|-------------------------------------|-----------------|----------------|-------------------|----------------|-------------------|
|                              | <b>National</b>               | <b>Sanctuary Farms</b> | <b>Blackburn</b> | <b>JJP Florida</b> | <b>Lowell</b> | <b>Maryland</b> | <b>Pleasant Valley State Prison</b> | <b>Vandalia</b> | <b>Walkill</b> | <b>Wateree SC</b> | <b>Wyoming</b> |                   |
| <b>Fundraising:</b>          |                               |                        |                  |                    |               |                 |                                     |                 |                |                   |                |                   |
| 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            |
| Repairs and Maintenance      | 2,635                         | -                      | -                | -                  | -             | -               | -                                   | -               | -              | -                 | -              | 2,635             |
| Rent                         | 3,600                         | -                      | -                | -                  | -             | -               | -                                   | -               | -              | -                 | -              | 3,600             |
| Salaries and Wages           | 219,643                       | 26,957                 | -                | -                  | -             | -               | -                                   | -               | -              | -                 | -              | 246,600           |
| Supplies                     | 512                           | 2,873                  | -                | -                  | -             | -               | -                                   | -               | -              | -                 | -              | 3,385             |
| Telephone                    | 295                           | -                      | -                | -                  | -             | -               | -                                   | -               | -              | -                 | -              | 295               |
| Travel                       | 15,688                        | 269                    | -                | -                  | -             | -               | -                                   | -               | -              | -                 | -              | 15,957            |
| <b>Total</b>                 | <u>\$ 413,746</u>             | <u>\$ 36,633</u>       | <u>\$ -</u>      | <u>\$ -</u>        | <u>\$ -</u>   | <u>\$ -</u>     | <u>\$ -</u>                         | <u>\$ -</u>     | <u>\$ -</u>    | <u>\$ -</u>       | <u>\$ -</u>    | <u>\$ 450,379</u> |