

**2023 and 2022 Financial Statements**

Montgomery Area  
Non-traditional  
Equestrians

**Pike Road, Alabama**

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## Independent Auditor's Report

To the Board of Directors of  
Montgomery Area Non-traditional Equestrians  
Pike Road, Alabama

### Opinion

We have audited the accompanying financial statements of Montgomery Area Non-traditional Equestrians (a nonprofit organization), which comprise the statements of financial position as of September 30, 2023 and 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Montgomery Area Non-traditional Equestrians as of September 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Montgomery Area Non-traditional Equestrians and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Montgomery Area Non-traditional Equestrians' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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 about Montgomery Area Non-traditional Equestrians' 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 Montgomery Area Non-traditional Equestrians' 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.

*Albridge, Borden and Company, P.C.*

Montgomery, Alabama  
December 18, 2023

**Montgomery Area Non-traditional Equestrians**  
**Pike Road, Alabama**  
**September 30, 2023 and 2022**

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# Statements of Financial Position

## Montgomery Area Non-traditional Equestrians

Pike Road, Alabama

As of September 30

	2023	2022
<b>Assets</b>		
<i>Current assets:</i>		
Cash and cash equivalents	\$ 514,245	\$ 594,023
Accounts receivable	5,000	1,100
Prepaid expenses	1,453	1,340
<b>Total current assets</b>	<b>520,698</b>	<b>596,463</b>
Property and equipment (net of accumulated depreciation of \$582,184 and \$533,240 respectively)	1,276,903	1,283,076
<b>Total assets</b>	<b>1,797,601</b>	<b>1,879,539</b>
<b>Liabilities and net assets</b>		
<i>Current liabilities:</i>		
Accounts payable	1,898	14,711
Accrued liabilities	5,256	5,480
Deferred revenue	3,525	11,500
<b>Total current liabilities</b>	<b>10,679</b>	<b>31,691</b>
<i>Net assets:</i>		
Without donor restrictions	1,786,922	1,847,848
<b>Total net assets</b>	<b>1,786,922</b>	<b>1,847,848</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,797,601</b>	<b>\$ 1,879,539</b>

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

# Statement of Activities and Changes in Net Assets

Montgomery Area Non-traditional Equestrians

Pike Road, Alabama

For the year ended September 30, 2023

<b>Revenues, gains, and other support</b>	
Grants	\$ 71,600
Contributions	139,095
In-kind donations	25,982
Program service fees	29,130
Special events, net of direct expenses of \$29,291	23,485
Interest	153
Miscellaneous income	31
Gain on disposal of fixed assets	161
<b>Total revenues, gains, and other support</b>	<b>289,637</b>
<b>Expenses and losses</b>	
Program services	325,126
Supporting services:	
Management and general	17,927
Fundraising	7,510
<b>Total expenses and losses</b>	<b>350,563</b>
<b>Change in net assets</b>	<b>(60,926)</b>
<b>Net assets without donor restrictions - beginning of year</b>	<b>1,847,848</b>
<b>Net assets without donor restrictions - end of year</b>	<b>\$ 1,786,922</b>

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

# Statement of Activities and Changes in Net Assets

Montgomery Area Non-traditional Equestrians  
 Pike Road, Alabama  
 For the year ended September 30, 2022

	Without donor restrictions	With donor restrictions	Total
<b>Revenues and other support</b>			
Grants	\$ 55,125		\$ 55,125
Contributions	86,439		86,439
In-kind donations	21,040		21,040
Program service fees	24,570		24,570
Special events, net of direct expenses of \$117,921	275,864		275,864
Interest	57		57
Miscellaneous income	266		236
Net assets released from restriction	2,098	\$ (2,098)	
<b>Total revenues and other support</b>	<b>465,459</b>		<b>463,331</b>
<b>Expenses and losses</b>			
Program services	310,189		310,189
Supporting services:			
Management and general	17,110		17,110
Fundraising	6,691		6,691
Loss on disposal of fixed assets	2,693		2,693
<b>Total expenses and losses</b>	<b>336,683</b>		<b>336,683</b>
<b>Change in net assets</b>	<b>128,776</b>	<b>(2,098)</b>	<b>126,678</b>
<b>Net assets - beginning of year</b>	<b>1,719,072</b>	<b>2,098</b>	<b>1,721,170</b>
<b>Net assets - end of year</b>	<b>\$ 1,847,848</b>	<b>\$ 0</b>	<b>\$ 1,847,848</b>

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

# Statement of Functional Expenses

Montgomery Area Non-traditional Equestrians

Pike Road, Alabama

For the year ended September 30, 2023

	Program Services	Supporting Services		Total
		Management and General	Fund Raising	
Salaries and benefits	\$ 149,139	\$ 9,833	\$ 4,917	\$ 163,889
Payroll taxes	10,589	698	349	11,636
Total compensation	159,728	10,531	5,266	175,525
Automobile expense	202	13	7	222
Bank charges	2,088	138	68	2,294
Depreciation	49,374			49,374
Dues and licenses	1,095			1,095
Equine care and feeding	25,583			25,583
Fundraising other			342	342
Insurance	17,571	1,158	579	19,308
Marketing	3,439			3,439
Merchandise expense			529	529
Miscellaneous expense	4,039	266	134	4,439
Office supplies	3,828	252	126	4,206
Pasture and barn expenses	7,488			7,488
Postage	2,268	150	75	2,493
Professional fees	4,650	4,650		9,300
Repairs and maintenance	15,385			15,385
Travel and training	1,889	125	62	2,076
Therapeutic supplies	11			11
Utilities	9,768	644	322	10,734
Veterinary expenses	16,720			16,720
Totals	\$ 325,126	\$ 17,927	\$ 7,510	\$ 350,563

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



# Statement of Functional Expenses

Montgomery Area Non-traditional Equestrians  
 Pike Road, Alabama  
 For the year ended September 30, 2022

	Program Services	Supporting Services		Total
		Management and General	Fund Raising	
Salaries and benefits	\$ 140,109	\$ 9,238	\$ 4,619	\$ 153,966
Payroll taxes	9,722	641	321	10,684
Total compensation	149,831	9,879	4,940	164,650
Automobile expense	191	13	6	210
Bank charges	1,542	102	51	1,694
Depreciation	49,853			49,853
Dues and licenses	1,470			1,470
Equine care and feeding	16,961			16,961
Fundraising other			460	460
Insurance	16,748	1,104	552	18,405
Miscellaneous expense	4,375	288	144	4,808
Office supplies	5,102	336	168	5,607
Pasture and barn expenses	18,841			18,841
Postage	2,776	183	92	3,050
Professional fees	4,650	4,650		9,300
Repairs and maintenance	15,678			15,678
Travel and training	138	9	5	152
Therapeutic supplies	13			13
Utilities	8,282	546	273	9,100
Veterinary expenses	13,738			13,738
<b>Totals</b>	<b>\$ 310,189</b>	<b>\$ 17,110</b>	<b>\$ 6,691</b>	<b>\$ 333,990</b>

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

# Statements of Cash Flows

Montgomery Area Non-traditional Equestrians  
Pike Road, Alabama  
For the years ended September 30

	2023	2022
<b>Cash flows from operating activities</b>		
Cash received from contributors	\$ 150,705	\$ 329,753
Cash received from grantors	71,600	55,125
Cash received from service recipients	29,161	24,806
Interest received	153	57
Cash paid to employees	(163,889)	(153,711)
Cash paid to vendors	(130,217)	(104,573)
Net cash from operating activities	(42,487)	151,457
<b>Cash flows from investing activities</b>		
Proceeds from sale of property and equipment	1,000	
Purchases of property and equipment	(38,291)	(27,933)
Net cash from investing activities	(37,291)	(27,933)
<b>Net (decrease) increase in cash and cash equivalents</b>	(79,778)	123,524
<b>Cash and cash equivalents - beginning of year</b>	594,023	470,469
<b>Cash and cash equivalents - end of year</b>	\$ 514,245	\$ 593,993

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

# Notes to Financial Statements

## Montgomery Area Non-traditional Equestrians Pike Road, Alabama September 30, 2023 and 2022

### Note 1 – Summary of Significant Accounting Policies

Nature of Activities – The Montgomery Area Non-traditional Equestrians (MANE) is a non-profit organization formed in 1994 that provides safe and effective therapeutic horseback riding opportunities to River Region area children and adults who have emotional, physical, cognitive, and developmental disabilities.

All instructors are certified through the Professional Association of Therapeutic Horsemanship International (PATH). PATH Intl. is a regulatory agency that assures stringent standards for quality therapeutic horseback riding through instructor certification, site accreditation and program monitoring. MANE is one of only five PATH Intl. Premiere centers in Alabama, and the only PATH Intl. Premiere center in the Tri-County Area of Alabama.

Therapeutic horseback riding and equine-assisted activities provide extremely important and effective intervention for people with physical, developmental, cognitive, and psychological disabilities. Therapeutic riding provides input simultaneously to the entire human physiology, and has direct application to rehabilitation programs for many special needs patients. The horse's movement and the warmth of the animal's body provide a foundation for the physical benefits for individuals who have muscle and movement disorders. The three-dimensional rhythmical movement of the horse helps to normalize muscle tone in the rider's hips and legs. Therapeutic horseback riding also helps participants improve balance, range of motion, and muscle control, as well as develop more efficient motor planning while strengthening muscles, joints, and tendons. Skills developed at MANE may facilitate spontaneous use of language and psychosocial responses and in doing so, provide a stronger foundation upon which traditional therapies can be more effectively implemented. The activities involved in therapeutic horseback riding have also been known to improve respiration, circulation, appetite, and digestion.

One of the best indicators of the success of equine-assisted activities comes from rider and parent reports of increased balance, coordination, muscle control, cognition, memory, motor skills, self-esteem and other benefits which they directly attribute to participation in therapeutic riding sessions. MANE focuses on education for children within a broad range of social skills and emotional maturity, while engaged in equine-assisted activities. This unique form of therapy provides positive carry-over into everyday functions, meaningfully improving the quality of life. MANE conducts thousands of sessions which enhance the lives of so many individuals and their families annually.

MANE operates from a 44-acre site located at 3699 Wallahatchie Road in East Montgomery, which includes an outdoor riding arena, office, and a 17-stall barn with an indoor riding arena. MANE serves approximately 78 individuals weekly during 4 sessions throughout the year, and 4 weeks of summer camp. A full-time Director, full-time Program and Operations Manager, full-time Volunteer and Administrative Coordinator, and one contract Instructor enable MANE to serve increasing numbers of individuals with disabilities through therapeutic riding programs. During the year ended September 30, 2023, MANE gave 390 lessons using volunteers who donated over 4,500 hours of service. During the year ended September 30, 2022, MANE gave 378 lessons using volunteers who donated over 6,200 hours of service. About 88% of the riders have cognitive disabilities or are emotionally/behaviorally at risk and about 12% have physical disabilities; many have multiple handicaps requiring extensive staff and volunteer support. Over 90% of the riders are children. During the years ended September 30, 2023, MANE was able to serve 362 students, of which 82% received tuition assistance. During the year ended September 30, 2022, MANE was able to serve 265 students, of which 72% received tuition assistance.

**Notes to Financial Statements (Continued)**  
**Montgomery Area Non-traditional Equestrians**  
**Pike Road, Alabama**  
**September 30, 2023 and 2022**

Note 1 – Summary of Significant Accounting Policies (Continued)

Basis of Presentation – Professional standards establish guidelines for external financial reporting by not-for-profit organizations and require resources to be classified for accounting and reporting purposes into two net assets categories according to externally (donor) imposed restrictions. The two classes of net assets are as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Consist of temporarily restricted and permanently restricted net assets. Temporarily restricted net assets are subject to donor-imposed stipulations that may or will be met either by actions of MANE and/or the passage of time. Permanently restricted net assets are subject to donor-imposed stipulations that must be maintained permanently by MANE. MANE did not hold any net assets with donor restrictions as of September 30, 2023 and 2022.

Cash and Cash Equivalents – All investments purchased with a maturity of three months or less are considered to be cash equivalents.

Accounts Receivable – MANE considers accounts receivable to be fully collectible; and accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment – Expenditures for property, equipment, and improvements are capitalized at cost. Equipment expenditures of \$1,000 or less are charged to expense. Ordinary repairs and maintenance are charged to expense when incurred. Donated assets are capitalized, and recorded as support, at their fair market value at the date of receipt. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, MANE reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. MANE reclassifies temporarily restricted net assets to unrestricted net assets at that time. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which are as follows:

Furniture and equipment	3-15 years
Land improvements	10-20 years
Building and improvements	20-40 years

Contributions – In accordance with current accounting standards, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. A number of unpaid volunteers have made significant contributions of their time to MANE. Management estimates that their volunteers donated more than 4,000 and 6,000 hours during the years ended September 30, 2023 and 2022, respectively. However, the value of these services is not reflected in these statements because the criteria for recognition have not been satisfied.

Program Service Fees – Program service fees charged to riders are allocated to the period in which services are to be provided. Fees received prior to rendering the service are recognized as deferred revenue.

**Notes to Financial Statements (Continued)**  
**Montgomery Area Non-traditional Equestrians**  
**Pike Road, Alabama**  
**September 30, 2023 and 2022**

Note 1 – Summary of Significant Accounting Policies (Continued)

Expense Allocation – The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and Changes in Net Assets and Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on time spent within each area.

Income Tax Status – MANE holds 501(c)(3) corporation status, and conducts its activities exclusively for charitable and educational purposes within the meaning of the U.S. Internal Revenue Code of 1986 under which it is qualified as a tax-exempt organization. Therefore, it has no provision for federal income taxes.

MANE has implemented the accounting guidance for uncertainty in income taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by the tax authorities. As of September 30, 2023, MANE had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

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

Subsequent Events – Management has evaluated subsequent events through December 18, 2023, which is the date the financial statements were available to be issued.

Note 2 – Liquidity and Availability

As of September 30, 2023 and 2022, MANE had the following amounts available for general expenditures within one year of the balance sheet date:

	2023	2022
Cash and cash equivalents	\$ 514,245	\$ 594,023
Accounts receivable	5,000	1,100
Financial assets available to meet cash needs for general expenditures within one year	\$ 519,245	\$ 595,123

MANE’s board has a policy to target a year-end balance of reserves of unrestricted and undesignated assets equal to an average of one year of expenses. MANE’s largest fundraiser is held every other year, resulting in typically meeting this target during the year of that fundraiser. MANE also has a committed line of credit in the amount of \$225,000, which could be drawn upon in the event of an unanticipated liquidity need.

**Notes to Financial Statements (Continued)**  
**Montgomery Area Non-traditional Equestrians**  
**Pike Road, Alabama**  
**September 30, 2023 and 2022**

Note 3 – Property and Equipment

Balances of major classes of assets and allowances for depreciation are as follows at September 30:

	2023		
	Cost	Accumulated Depreciation	Net
Buildings and improvements	\$ 758,456	\$ 255,536	\$ 502,920
Land	627,000		627,000
Land improvements	220,885	180,857	40,028
Equipment	143,254	61,608	81,646
Horses	72,891	55,995	16,896
Furniture and fixtures	36,601	28,188	8,413
Total	<u>\$ 1,859,087</u>	<u>\$ 582,184</u>	<u>\$ 1,276,903</u>
	2022		
	Cost	Accumulated Depreciation	Net
Buildings and improvements	\$ 758,456	\$ 236,465	\$ 521,991
Land	627,000		627,000
Land improvements	197,065	170,161	26,904
Equipment	128,129	50,797	77,332
Horses	73,141	47,953	25,188
Furniture and fixtures	32,525	27,864	4,661
Total	<u>\$ 1,816,316</u>	<u>\$ 533,240</u>	<u>\$ 1,283,076</u>

Depreciation expense for the years ending September 30, 2023 and 2022 was \$49,374 and \$49,853, respectively.

Note 4 – Statement of Cash Flow Disclosures

During the years ended September 30, 2023 and 2022, MANE received a total of \$5,750 and \$3,500 in donations of property and equipment, respectively.

Note 5 – Related Party Transactions

During the years ended September 30, 2023 and 2022, certain Board Members, members of their families, and related businesses made cash and in-kind contributions to MANE. No board members have received, directly or indirectly, compensation from MANE.

During the year ended September 30, 2019, MANE entered into a lease with the program director for use of a horse for breeding purposes. The lease ran through April 2022 and required no consideration from the program director to MANE. Upon termination of the lease, the program director had the option to purchase the horse for \$100. The program director paid the \$100 to purchase the horse during fiscal year 2023.

Note 6 – Nonfinancial Assets – In-Kind Contributions

MANE records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

**Notes to Financial Statements (Continued)**  
**Montgomery Area Non-traditional Equestrians**  
**Pike Road, Alabama**  
**September 30, 2023 and 2022**

Note 6 – Nonfinancial Assets – In-Kind Contributions (Continued)

Fair value is estimated on the basis of recent comparable sales prices of similar assets or services within the area. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to property and equipment.

During the years ended September 30, 2023 and 2022, MANE recognized contributed fixed assets in the form of horses with approximate fair values of \$750 and \$3,500, respectively. MANE also received contributed feed for horses with approximate fair values of \$6,874 and \$2,464, respectively, in years ended September 30, 2023 and 2022. During the years ended September 30, 2023 and 2022, MANE recognized contributed supplies, including medication for horses, with approximate fair values of \$2,655 and \$2,750, respectively.

MANE also received contributed accounting services with an approximate fair of \$6,000 and \$4,500, respectively, for years September 30, 2023 and 2022.

For year ended September 30, 2023, MANE recognized \$3,000 in contributed fixed assets in the form of a printer and \$2,000 in contributed labor based on approximate fair values.

During the years ended September 30, 2023 and 2022, MANE recognized contributed meal for the Raise the Roof event with a fair market value of \$4,703 and \$7,826, respectively.

Note 7 – Concentrations

At various times, MANE maintained deposits in excess of the Federal Deposit Insurance Corporation (FDIC) limitations, which is \$250,000 for one bank located in Montgomery, Alabama. At September 30, 2023 and 2022, MANE had \$264,645 and \$345,905, respectively, in excess of the FDIC limit. MANE has not experienced any losses in relation to its deposits and believes it is not exposed to any significant credit risk on its cash balances.

MANE receives the majority of its revenue from its golf tournament and dinner auction held every other year.

Note 8 – Line of Credit

During the year ended September 30, 2023, MANE renewed its line of credit through August 8, 2025, with an interest rate of 8.500%. It is secured by real property located in Pike Road, Alabama. MANE did not draw down any money during September 30, 2023 and 2022, respectively.

Note 9 – Contingent Liabilities and Commitments

From time to time, MANE can be involved in routine litigation that arises in the ordinary course of business. There are no significant pending legal proceedings to which MANE is a party to or that management believes the ultimate outcome would have a material adverse effect on MANE's financial position.