

**HORN FARM CENTER  
FOR AGRICULTURAL EDUCATION**  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2024  
AND  
INDEPENDENT ACCOUNTANT'S REVIEW REPORT

**HAMILTON & MUSSER, P.C.**  
*Certified Public Accountants*

**HORN FARM CENTER FOR AGRICULTURAL EDUCATION**

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# HAMILTON & MUSSER, PC

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Members of  
Horn Farm Center for Agricultural Education  
York, Pennsylvania

We have reviewed the accompanying financial statements of Horn Farm Center for Agricultural Education (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets – modified cash basis as of December 31, 2024, and the related statements of support, revenues, and expenses – modified cash basis and functional expenses – modified cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. The procedures we performed were based on professional judgment and consisted primarily of analytical procedures and inquiries. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Horn Farm Center for Agricultural Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

**Prior Period Adjustments**

As described in Note 13, during the year ended December 31, 2024, Horn Farm Center for Agricultural Education determined that net asset balances were incorrectly recorded as of December 31, 2023, resulting in a net understatement of net assets without donor restrictions of \$20,507 and a net overstatement of net assets with donor restrictions of \$20,507. Accordingly, the prior period adjustments are reflected in the Statement of Support, Revenues, and Expenses – Modified Cash Basis. Our conclusion is not modified with respect to this matter.

**Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

August 28, 2025

Mechanicsburg, Pennsylvania



*Certified Public Accountants*

**HORN FARM CENTER FOR AGRICULTURAL EDUCATION**  
Statement of Assets, Liabilities, and Net Assets – Modified Cash Basis  
December 31, 2024

<b>Assets</b>	
Cash and Cash Equivalents – Operating (Note 2)	\$ 678,151
Investments (Note 4)	38,275
Cash and Cash Equivalents – Restricted for Long-Term Purposes (Note 2)	399,018
Fixed Assets, Net (Note 5)	400,878
Beneficial Interest in Perpetual Trust (Note 6)	<u>2,364,347</u>
Total Assets	<u>\$ 3,880,669</u>
 <b>Liabilities</b>	
Payroll Liabilities	\$ <u>3,752</u>
Total Liabilities	<u>3,752</u>
 <b>Net Assets</b>	
Without Donor Restrictions	1,089,602
With Donor Restrictions (Note 9)	<u>2,787,315</u>
Total Net Assets	<u>3,876,917</u>
Total Liabilities and Net Assets	<u>\$ 3,880,669</u>

See Accompanying Notes and Independent Accountant’s Review Report

**HORN FARM CENTER FOR AGRICULTURAL EDUCATION**  
Statement of Support, Revenues, and Expenses – Modified Cash Basis  
For the Year Ended December 31, 2024

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Support and Revenues			
Contributions	\$ 56,675	\$ 114,529	\$ 171,204
Nonfinancial Contributions (Note 7)	38,776	-	38,776
Rental Income	24,264	-	24,264
Special Events	28,828	-	28,828
Grants	44,552	110,590	155,142
Interest	36,693	-	36,693
Investment Income (Note 4)	6,066	-	6,066
Distributions from Perpetual Trust (Note 6)	83,065	-	83,065
Education Programs	72,042	-	72,042
Product Sales Income	31,811	-	31,811
Gain on Disposal of Fixed Assets	9,970	-	9,970
Change in Value of Beneficial Interest in Perpetual Trust (Note 6)	-	137,316	137,316
Net Assets Released from Restrictions	<u>138,245</u>	<u>(138,245)</u>	<u>-</u>
 Total Support and Revenues	 <u>570,987</u>	 <u>224,190</u>	 <u>795,177</u>
Expenses			
Program Services	374,116	-	374,116
Supporting Services			
Management and General	69,618	-	69,618
Fundraising	<u>22,692</u>	<u>-</u>	<u>22,692</u>
 Total Expenses	 <u>466,426</u>	 <u>-</u>	 <u>466,426</u>
 Change in Net Assets	 104,561	 224,190	 328,751
Net Assets, Beginning of Year	<u>964,534</u>	<u>2,583,632</u>	<u>3,548,166</u>
Prior Period Adjustments (Note 13)	<u>20,507</u>	<u>(20,507)</u>	<u>-</u>
Net Assets, End of Year	<u>\$ 1,089,602</u>	<u>\$ 2,787,315</u>	<u>\$ 3,876,917</u>

See Accompanying Notes and Independent Accountant's Review Report

**HORN FARM CENTER FOR AGRICULTURAL EDUCATION**  
Statement of Functional Expenses – Modified Cash Basis  
For the Year Ended December 31, 2024

	Supporting Services			<u>Total</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	
Advertising	\$ 2,404	\$ -	\$ -	\$ 2,404
Conferences and Meetings	24	24	24	72
Depreciation	14,505	3,627	-	18,132
Dues and Memberships	750	-	-	750
Education Programs	26,418	-	-	26,418
Fundraising Expense	-	-	1,456	1,456
Non-Financial Program Expenses	1,576	-	-	1,576
Non-Financial Rent Expense	24,800	12,400	-	37,200
Information Technology	1,688	1,687	1,687	5,062
Insurance	2,024	11,462	-	13,486
Miscellaneous	2,483	-	-	2,483
Occupancy	16,139	1,463	-	17,602
Office Expenses	5,172	2,821	1,410	9,403
Payroll Taxes	12,702	2,382	793	15,877
Produce Cost of Goods Sold	19,518	-	-	19,518
Professional Fees	8,125	5,150	7,930	21,205
Salaries	150,266	28,174	9,392	187,832
Staff Development	686	428	-	1,114
Utilities	217	-	-	217
Watershed Protection	<u>84,619</u>	<u>-</u>	<u>-</u>	<u>84,619</u>
 Total Expenses	 <u>\$ 374,116</u>	 <u>\$ 69,618</u>	 <u>\$ 22,692</u>	 <u>\$ 466,426</u>

See Accompanying Notes and Independent Accountant's Review Report

## HORN FARM CENTER FOR AGRICULTURAL EDUCATION

Notes to Financial Statements  
For the Year Ended December 31, 2024

### NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

#### **Nature of Activities:**

The Horn Farm Center for Agricultural Education (the Organization) is a non-profit organization formed for the purpose of fostering ecological learning through land stewardship, community partnership, and hands-on experiences. The Organization is supported primarily through contributions, grants, and educational programs.

#### **Basis of Accounting:**

The accompanying financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under the modified cash basis of accounting, certain revenues and the related assets are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligations are incurred. The Organization has elected to record investments, fixed assets, beneficial interest in a perpetual trust, payroll liabilities, and nonfinancial contributions.

#### **Basis of Presentation:**

Financial statement presentation follows the *Not-for-Profit Entities* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) which requires the Organization to report information regarding its assets, liabilities, and net assets and its support, revenues, and expenses according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

#### **Contributions:**

Contributions received are recorded as increases in net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Support, Revenues, and Expenses – Modified Cash Basis as net assets released from restrictions.

#### **Cash and Cash Equivalents:**

Cash and cash equivalents include all highly liquid investments with an initial maturity of three months or less.

#### **Fair Value Measurements:**

Financial instruments are valued at fair market value on a recurring basis in the Statement of Assets, Liabilities, and Net Assets – Modified Cash Basis.

Fair Value Reporting requires an establishment of a hierarchy that ranks the quality and reliability of inputs, or assumptions, used in the determination of fair value and requires financial assets and liabilities carried at fair value to be classified and disclosed in one of the following three categories:

- Level 1 – Quoted prices in active markets for identical assets and liabilities
- Level 2 – Directly or indirectly observable inputs other than Level 1 quoted prices
- Level 3 – Unobservable inputs not corroborated by market data

**HORN FARM CENTER FOR AGRICULTURAL EDUCATION**

Notes to Financial Statements  
For the Year Ended December 31, 2024

**NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value Measurements (Continued):**

For financial instruments that have quoted market prices in active markets, the Organization uses the quoted market prices as fair values and includes those financial instruments in Level 1 of the fair value hierarchy. When quoted market prices in active markets are not available, various pricing services are used to determine fair value of financial instruments that are included in Level 2 of the fair value hierarchy. Level 3 represents financial assets whose fair value is determined based upon inputs that are unobservable and include the Organization's own determinations of the assumptions that a market participant would use in pricing the asset. The Organization considers its investments to be Level 1.

Investment income, including realized and unrealized gains restricted by donors, is reported as an increase in net assets without donor restrictions if the restrictions are met (either a stipulated time period or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Financial instruments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain financial instruments and the level of uncertainty related to changes in the value of financial instruments, it is at least reasonably possible changes in risks in the near term would materially affect investment assets reported in the Statement of Assets, Liabilities, and Net Assets – Modified Cash Basis and the Statement of Support, Revenues, and Expenses – Modified Cash Basis.

**Fixed Assets:**

It is the policy of the Organization to record purchased fixed assets at cost and donated assets at their fair value at the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. During 2014, the Organization modified its capitalization policy to be in compliance with tangible property regulations. New acquisitions of fixed assets having a low cost, or which are not expected to last for more than a year, are expensed in the year of acquisition. Repairs and maintenance charges are capitalized and depreciated when they materially extend the useful life of the related assets.

**Taxation:**

The Organization is exempt from federal income tax as provided by Code Section 501(c)(3) of the Internal Revenue Code. Donors are entitled to deductions for federal income tax purposes for contributions made to the Organization in accordance with the Internal Revenue Code. Accordingly, no income tax is incurred unless the Organization earns income considered to be unrelated business income. The Organization conducted no activities that were subject to income taxes.

Management evaluated the tax positions taken and concluded that the Organization had taken no uncertain tax positions that require recognition or disclosure in the financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before December 31, 2021.

**Leases:**

The Organization leases farmable land and kitchen space to individuals. Leases with individuals are typically for a period of one year; however, some leases are for three or five years. The Organization elects to not separate lease components from non-lease components.

**HORN FARM CENTER FOR AGRICULTURAL EDUCATION**

Notes to Financial Statements  
For the Year Ended December 31, 2024

**NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributed Services:**

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. A number of non-professional, unpaid volunteers have made significant contributions of their time. The value of this contributed time is not reflected in the financial statements for those services since they do not meet the criteria for recognition.

**Grants:**

The Organization receives grants primarily from foundations and state and local governments in support of their educational activity.

**Use of Estimates:**

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Functional Allocation of Expenses:**

The costs of providing various programs and activities have been summarized on a functional basis in the Statement of Support, Revenues, and Expenses – Modified Cash Basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following at December 31, 2024:

Cash and Cash Equivalents – Operating	\$ 678,151
Cash and Cash Equivalents – Restricted for Long-Term Purposes	<u>399,018</u>
Total Cash and Cash Equivalents	<u>\$ 1,077,169</u>

**NOTE 3 – AVAILABILITY AND LIQUIDITY**

The following represents the Organization’s financial assets at December 31, 2024:

Financial Assets:	
Cash and Cash Equivalents	\$ 1,077,169
Investments	<u>38,275</u>
Total Financial Assets	<u>1,115,444</u>
Less Amounts Not Available to be Used Within One Year:	
Net Assets with Donor Restrictions (Excluding Beneficial Interest in Perpetual Trust)	<u>422,968</u>
Financial Assets Available to Meet Expenses Over the Next Year	<u>\$ 692,476</u>

The Organization’s plan is generally to maintain financial assets to meet 90 days of operating expenses.

**HORN FARM CENTER FOR AGRICULTURAL EDUCATION**

Notes to Financial Statements  
For the Year Ended December 31, 2024

**NOTE 4 – INVESTMENTS**

Investments at December 31, 2024 are as follows:

	<u>Cost</u>	<u>Market Value</u>
Bond Funds	\$ 44,206	\$ 38,275
Total	<u>\$ 44,206</u>	<u>\$ 38,275</u>

Investment income is summarized for the year ended December 31, 2024 as follows:

Interest and Dividends	\$ 6,788
Unrealized/Realized Loss on Investments	<u>(722)</u>
Total	<u>\$ 6,066</u>

**NOTE 5 – FIXED ASSETS**

Fixed assets at December 31, 2024 are summarized as follows:

Buildings and Improvements	\$ 197,670
Construction in Progress	181,525
Leasehold Improvements	23,842
Furniture and Equipment	<u>106,558</u>
	509,595
Less: Accumulated Depreciation	<u>(108,717)</u>
Total Fixed Assets, Net	<u>\$ 400,878</u>

The useful lives for purposes of computing depreciation are as follows:

Buildings and Improvements	7-30 Years
Leasehold Improvements	30 Years
Furniture and Equipment	5-15 Years

Depreciation expense was \$18,132 for the year ended December 31, 2024.

**NOTE 6 – BENEFICIAL INTEREST IN PERPETUAL TRUST**

The Organization is named as beneficiary under an irrevocable perpetual trust. The Organization's beneficiary interest allocation for this trust was 50% for the year ended December 31, 2024. The total amount of the distribution from the trust received by the Organization during the year was \$83,065. The following is a summary of the activity for the year ended December 31, 2024:

Beginning Balance	\$ 2,227,031
Change in Value of Beneficial Interest in Perpetual Trust	<u>137,316</u>
Ending Balance	<u>\$ 2,364,347</u>

**HORN FARM CENTER FOR AGRICULTURAL EDUCATION**

Notes to Financial Statements  
For the Year Ended December 31, 2024

**NOTE 6 – BENEFICIAL INTEREST IN PERPETUAL TRUST (CONTINUED)**

The fair value of the Organization’s beneficial interest in perpetual trust is determined based on the Organization’s interest in the fair values of the underlying assets, which approximates the present value of the estimated cash flows to be received from the trust. The present value measured is utilized, as the underlying assets of the trust are not in the Organization’s control. The assumptions are developed based on the best information available, which is a Level 3 valuation input, as described in Note 1 – “Fair Value Measurements.”

**NOTE 7 – NONFINANCIAL CONTRIBUTIONS**

The Organization records various types of nonfinancial contributions. The amounts reflected in the accompanying financial statements as nonfinancial contributions are either offset by like amounts included in expenses or capitalized and recorded in fixed assets.

The Organization received the following nonfinancial contributions during the year ended December 31, 2024:

Miscellaneous	\$ 1,576
Land Lease	<u>37,200</u>
 Total Nonfinancial Contributions	 <u>\$ 38,776</u>

The Organization’s operations are conducted through donated use of land and facilities. The value of the donated use of land and facilities is recorded in the Statement of Support, Revenues, and Expenses – Modified Cash Basis. In May 2007, the Organization entered into a lease agreement with York County. The Organization leases its 186 acres of land and facilities from York County for \$1 per year and a lease term of 30 years. In April 2016, York County amended the lease for 99 years and removed the cancellation clause.

Contributions of tangible assets are recognized at fair market value when received. All nonfinancial contributions are utilized for program services as well as supporting services and are allocated based on estimated usage. No donor-restricted non-financial contributions were received during the year ended December 31, 2024.

**NOTE 8 – RENTAL INCOME**

The Organization subleases a portion of the land leased from York County to a local farmer. The Organization entered into a five-year lease agreement with the farmer effective January 1, 2020. The lease is for 91.5 acres to be paid in two equal installments of \$8,006 due in April and November of each year. These payments are included in rental income on the Statement of Support, Revenues, and Expenses – Modified Cash Basis. This agreement was renewed for a five-year term beginning on January 1, 2025. Payments will be made in two equal installments of \$9,450, due in April and November of each year. The Organization received \$16,012 for the year ended December 31, 2024. The Organization has additional minimal leases with various other individuals.

Future minimum rentals for the years ended December 31 are as follows:

2025	\$ 18,900
2026	18,900
2027	18,900
2028	18,900
2029	<u>18,900</u>
 Total	 <u>\$ 94,500</u>

**HORN FARM CENTER FOR AGRICULTURAL EDUCATION**

Notes to Financial Statements  
For the Year Ended December 31, 2024

**NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS**

Time and purpose restricted net assets are comprised of the following at December 31, 2024:

Building Fund	\$ 399,018
Composting Toilets	20,000
Growing Greener	<u>3,950</u>
Total Time and Purpose Restricted Net Assets	<u>422,968</u>

Perpetually restricted net assets consist of the following at December 31, 2024:

Horn Farm Altland Trust (Note 6)	<u>2,364,347</u>
Total Perpetually Restricted Net Assets	<u>2,364,347</u>
Total Net Assets with Donor Restrictions	<u>\$ 2,787,315</u>

**NOTE 10 – CONCENTRATED CREDIT RISK**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents held with financial institutions. Accounts at financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC). Organization accounts at one financial institution may have exceeded the insurance obtained through the FDIC at various times throughout the year. The amount in excess of the FDIC limit was \$729,415 at December 31, 2024. Additionally, the Organization held \$105,625 in a money market account which is not FDIC insured.

**NOTE 11 – ADVERTISING**

The Organization expenses advertising costs as incurred. Advertising costs were \$2,404 for the year ended December 31, 2024.

**NOTE 12 – CONCENTRATION OF REVENUE**

For the year ended December 31, 2024, the Organization received approximately 11% of its total revenue from a single grantor. While management believes the Organization will continue to receive funding from a variety of sources, the loss of this particular grant could have a significant impact on future operations.

**NOTE 13 – PRIOR PERIOD RESTATEMENT**

During 2024, the Organization determined that \$20,507 of net assets with donor restrictions should have been released from restriction for the year ended December 31, 2023. Accordingly, the prior period adjustments are reflected in the Statement of Support, Revenues, and Expenses – Modified Cash Basis.

**NOTE 14 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through August 28, 2025, which is the date the financial statements were available to be issued.