

**NORWEGIAN FJORD HORSE REGISTRY**

Financial Statements  
December 31, 2008 and 2007

# SALMIN, CELONA, WEHRLE & FLAHERTY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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## ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors  
Norwegian Fjord Horse Registry

We have compiled the accompanying statements of assets, liabilities, and equity - cash basis of Norwegian Fjord Horse Registry as of December 31, 2008 and 2007 , and the related statements of revenues and expenses - cash basis for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Salmin, Celona, Wehrle & Flaherty, LLP*

Salmin, Celona, Wehrle & Flaherty, LLP

January 11, 2008

**NORWEGIAN FJORD HORSE REGISTRY**  
**STATEMENTS OF ASSETS, LIABILITIES AND EQUITY - CASH BASIS**  
**DECEMBER 31, 2008 and 2007**

<b>ASSETS</b>		2008	2007
<b>CURRENT ASSETS</b>			
Checking - Fairport Savings Bank		0	0
CD - Fairport Savings Bank		16,181	15,757
Checking - Bank of America		25,958	35,471
Bank of America Money Market		0	33,692
CD - Bank of America		16,280	15,755
<b>Total Current Assets</b>		<b>58,419</b>	<b>100,675</b>
 <b>PROPERTY AND EQUIPMENT</b>			
Fixed Assets		8,957	7,767
Less: Accumulated Depreciation		(6,351)	(4,701)
<b>Total Property and Equipment</b>		<b>2,606</b>	<b>3,066</b>
 <b>TOTAL ASSETS</b>		 <b>\$ 61,025</b>	 <b>\$ 103,741</b>
 <b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Members Overpayments		\$ 2,351	\$ 1,545
Payroll Liabilities		0	450
<b>Total Liabilities</b>		<b>2,351</b>	<b>1,995</b>
 <b>EQUITY</b>			
Retained Earnings		101,746	73,510
Net Income (loss)		(43,072)	28,236
<b>Total Equity</b>		<b>58,674</b>	<b>101,746</b>
 <b>TOTAL LIABILITIES AND EQUITY</b>		 <b>\$ 61,025</b>	 <b>\$ 103,741</b>

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**NORWEGIAN FJORD HORSE REGISTRY**  
**STATEMENTS OF REVENUES AND EXPENSES - CASH BASIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>REVENUES</b>		
ANNIVERSARY		
Show	\$ 0	\$ 20
Advertising	0	510
AWARDS		
Register of Excellence	475	100
Versatility	330	100
Other	175	150
EDUCATION		
Donations	1,148	1,081
Sales: Coloring Books	241	351
Sales: Resource Guide	5,482	0
Sales: Video Grooming	785	1,180
Sales: Video Versatility	275	455
Sales: Video Dancing with Fjord	415	5,132
Sales: Video Fjord Herald Archive	50	0
EVALUATION COMMITTEE		
Donations	1,282	1,741
Evaluations: Lacrosse	2,925	6,843
Evaluations: Libby	2,130	0
Evaluations: Greenley	0	6,705
Evaluations: Herndon	4,195	6,800
Evaluations: Moses Lake	0	5,282
Evaluations: Other	920	225
Sales: Record Book	220	593
NFHR OPERATIONS		
Membership Committee	5,030	0
Memberships: Family	10,367	20,865
Memberships: Life	4,600	6,000
Memberships: Single	17,982	33,189
Web Site: Links	2,225	3,363
Web Site: Photo Contest	0	0
Web Site: Other	950	113
PROMOTIONS		
Donations	1,448	1,998
Calendar Sales	179	0
Promotions, T-shirts etc.	845	744

**NORWEGIAN FJORD HORSE REGISTRY**  
**STATEMENTS OF REVENUES AND EXPENSES - CASH BASIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

<b>PUBLICATIONS</b>		
Advertising: Herald: Classified Ads	144	45
Advertising: Herald: Display Ads	21,735	28,958
Advertising: Herald: Farm Listings	3,750	7,563
Advertising: Other	0	0
Advertising: Herald: Subscriptions	755	1,620
Back Issues	740	830
Breeder Listing	1,270	2,460
New Owners	20	180
<b>REGISTRARS</b>		
DNA Recording	220	470
DNA Kits	11,920	20,045
Late Stallion Reports	400	650
Last Registration Certificates	960	700
Mailing Labels	125	50
Microchip Sales	1,625	2,845
Registrations	8,425	12,225
Semen Transfer Permits	1,000	300
Transfers	11,040	12,183
Updated Certificates	95	90
<b>TOTAL REVENUES</b>	<b><u>128,898</u></b>	<b><u>194,754</u></b>
<b>EXPENSES</b>		
<b>AWARDS</b>		
Purchases	1,068	1,124
<b>EDUCATION</b>		
Postage	253	225
Resource Guide	10,582	0
Video Production Herald DVD	826	0
Video Production Versatility	0	203
<b>EVALUATION COMMITTEE</b>		
Evaluation: Conference	1,500	0
Evaluation: Greenley	0	4,853
Evaluation: Herndon	5,342	6,091
Evaluation: Lacrosse	3,416	5,242
Evaluation: Libby	4,134	0
Evaluation: Moses Lake	0	7,288
Evaluation: Other	0	6,440
Telephone	493	1,635
Travel	0	3,330
Other	720	980
<b>FHI COMMITTEE</b>		
Dues	600	500
Travel	1,000	2,000

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STATEMENTS OF REVENUES AND EXPENSES - CASH BASIS  
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<b>NFHR OPERATIONS</b>		
Annual Director's Meeting	10,525	7,087
Bank Fees	349	437
Credit Card Fees & Discounts	855	511
Communications	395	0
Depreciation Expense	1,650	1,360
Dues and Subscriptions	645	275
Equipment	1,065	4,433
Insurance	2,342	2,121
Internet	1,359	729
Office Supplies	863	1,928
Operating Supplies	774	729
Other	65	5,159
Payroll Taxes	2,639	2,503
Payroll: Wages	41,401	39,342
Sub-Contract Labor	230	0
Postage	4,465	5,750
Postage Meter	0	0
Printing	233	158
Professional Fees	4,050	4,725
Rent	7,200	0
Roster	0	1,281
Software	753	263
Telephone	3,367	3,302
Travel	3,262	420
Web site Hosting	500	0
Web site Maintenance/Development	5,840	0
<b>PROMOTIONS</b>		
Other	2,066	2,094
<b>PUBLICATIONS</b>		
Advertising Exp: Herald: Editor Fee	12,310	5,041
Advertising Exp: Herald: Postage	2,619	7,150
Advertising Exp: Herald: Printing	20,992	9,431
Advertising Exp: Other	0	9,501
<b>REGISTRAR</b>		
DNA	0	3,544
DNA: ANSCI	900	1,478
DNA: Testing	5,675	5,768
Microchips	0	1,226
Office Supplies	668	590
Postage	798	0
Printing	0	690
<b>SPECIAL COMMITTEES</b>		
Election Committee	864	0
Membership Committee	738	0
Anniversary Committee	1,300	252
<b>TOTAL EXPENSES</b>	<b><u>173,691</u></b>	<b><u>169,189</u></b>

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**NORWEGIAN FJORD HORSE REGISTRY  
STATEMENTS OF REVENUES AND EXPENSES - CASH BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

<b>NET OPERATING INCOME</b>	<b>(44,793)</b>	<b>25,565</b>
<b>OTHER INCOME AND EXPENSES</b>		
Interest and Dividends Earned	1,721	2,671
<b>TOTAL OTHER INCOME AND EXPENSES - NET</b>	<u><b>1,721</b></u>	<u><b>2,671</b></u>
<b>NET INCOME (LOSS)</b>	<u><b>\$ (43,072)</b></u>	<u><b>\$ 28,236</b></u>

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