

HEALING OASIS WELLNESS CENTER, LLC

FINANCIAL STATEMENTS WITH
ACCOUNTANTS' REPORT

FOR THE YEARS ENDED
DECEMBER 31, 2023 AND 2022



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To Management
Healing Oasis Wellness Center, LLC
Sturtevant, WI

Management is responsible for the accompanying financial statements of Healing Oasis Wellness Center, LLC (an S corporation), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income and retained earnings and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

415 CPAs
Mount Pleasant, WI

May 16, 2024

HEALING OASIS WELLNESS CENTER, LLC
Balance Sheets
December 31, 2023 and 2022

Assets		
	2023	2022
Current Assets		
Cash In Bank	\$ 111,546.28	\$ 165,442.52
Total Current Assets	111,546.28	165,442.52
Property and Equipment		
Buildings	144,000.00	144,000.00
Equipment	48,291.61	48,291.61
Leasehold Improvements	56,746.66	56,746.66
	<u>249,038.27</u>	<u>249,038.27</u>
Less Accumulated Depreciation	<u>(139,179.17)</u>	<u>(130,106.44)</u>
Net Property and Equipment	109,859.10	118,931.83
Other Assets		
Trademark (Net of Amortization)	<u>1,850.00</u>	<u>2,050.00</u>
Total Assets	<u>\$ 223,255.38</u>	<u>\$ 286,424.35</u>

Liabilities and Equity		
	2023	2022
Current Liabilities		
Accounts Payable	\$ 2,846.00	\$ 4,192.13
Deferred Income - Student Tuition	71,700.00	64,590.00
Total Current Liabilities	74,546.00	68,782.13
Long-Term Liabilities		
Note Payable - Member	<u>22,580.14</u>	<u>22,580.14</u>
Total Long-Term Liabilities	22,580.14	22,580.14
Member's Equity		
Total Liabilities and Equity	<u>\$ 223,255.38</u>	<u>\$ 286,424.35</u>

See accountants' report and notes to financial statements.

HEALING OASIS WELLNESS CENTER, LLC
Statements of Income and Member's Equity
For the Years Ended December 31, 2023 and 2022

	2023	%	2022	%
Sales	\$ 273,755.51	100.00%	\$ 250,262.58	100.00%
Operating Expenses				
Legal and Professional Fees	2,565.92	0.94%	4,742.38	1.89%
Advertising Expense	14,172.64	5.18%	7,520.46	3.01%
Dues and Subscriptions	12,786.82	4.67%	8,859.27	3.54%
Licenses and Fees	36.00	0.01%	-	0.00%
Miscellaneous	-	0.00%	-	0.00%
Postage and Delivery	938.71	0.34%	1,423.15	0.57%
Insurance	1,165.00	0.43%	-	0.00%
Seminars and Education	11,533.91	4.21%	11,446.95	4.57%
Meals and Entertainment	-	0.00%	45.00	0.02%
Depreciation and Amortization Expense	9,272.73	3.39%	10,657.18	4.26%
Repairs and Maintenance	42,860.94	15.66%	40,633.13	16.24%
Office Expense	1,550.82	0.57%	2,798.40	1.12%
Library Expense	6,894.38	2.52%	4,630.56	1.85%
Rent	16,800.00	6.14%	16,800.00	6.71%
Utilities and Telephone	602.76	0.22%	1,234.07	0.49%
School Instructors	97,945.01	35.78%	113,589.10	45.39%
Supplies	22,189.23	8.11%	19,153.38	7.65%
Wage Expense	91,565.24	33.45%	75,653.28	30.23%
FICA Tax Expense	7,004.74	2.56%	5,787.47	2.31%
Federal Unemployment Tax Expense	42.00	0.02%	84.00	0.03%
State Unemployment Tax Expense	14.60	0.01%	19.72	0.01%
Pension Expense	2,746.90	1.00%	2,269.64	0.91%
	<u>342,688.35</u>	<u>125.18%</u>	<u>327,347.14</u>	<u>130.80%</u>
Operating Income (Loss)	<u>(68,932.84)</u>	<u>-25.18%</u>	<u>(77,084.56)</u>	<u>-30.80%</u>
Net Income (Loss)	<u>(68,932.84)</u>	<u>-25.18%</u>	<u>(77,084.56)</u>	<u>-30.80%</u>
Member's Equity, Beginning	<u>195,062.08</u>		<u>272,146.64</u>	
Member's Equity, Ending	<u>\$ 126,129.24</u>		<u>\$ 195,062.08</u>	

See accountants' report and notes to financial statements.

HEALING OASIS WELLNESS CENTER, LLC
 Statements of Cash Flows
 For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Net Income (Loss)	\$ (68,932.84)	\$ (77,084.56)
Adjustments to reconcile net income (loss) to net cash provided (used) operating activities:		
Depreciation and amortization	9,272.73	10,657.18
Increase (decrease) in accounts payable	(1,346.13)	(2,907.62)
Increase (decrease) in deferred revenue	7,110.00	39,190.00
Total Adjustments	15,036.60	46,939.56
Net Cash Provided (Used) by Operating Activities	(53,896.24)	(30,145.00)
Cash Flows from Investing Activities		
Cash payments for the purchase of property	-	-
Net Cash Provided (Used) by Investing Activities	-	-
Cash Flows from Financing Activities		
Net payment on shareholder loan	-	(1,716.27)
Net Cash Provided (Used) by Financing Activities	-	(1,716.27)
Net Increase (Decrease) in Cash	(53,896.24)	(31,861.27)
Cash, Beginning	165,442.52	197,303.79
Cash, Ending	\$ 111,546.28	\$ 165,442.52

See accountants' report and notes to financial statements.

HEALING OASIS WELLNESS CENTER, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023
(See accountants' report.)

1. Summary of Significant Accounting Policies

Nature of business

The center is an educational institution dedicated to advancement of veterinary spinal manipulative therapy, veterinary massage and rehabilitation therapy, advance neurology-VSMT and to provide up to date continuing education seminars.

Property and Equipment

Property and equipment are recorded at cost, whereas expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is based on the estimated useful life of the fixed asset and is computed by use of modified accelerated cost recovery system (MACRS) for reporting purposes and tax purposes.

Trademark

Trademark costs are being amortized on a straight-line basis over fifteen years.

Use of Estimates

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

Income Taxes

Accounting principles and policies used in preparation of financial statements are also used for income tax purposes.

The Company and its members have elected for Federal and State income tax purposes to be treated as an S Corporation under provisions of the Internal Revenue Code for periods beginning after December 31, 2014. Accordingly, the Company's taxable income is includable in the members' individual tax returns and, therefore, no provision for income taxes is included in these financial statements.

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(See accountants' report.)

2. Revenue

Tuition payments are required by students at the time of registration. Tuition payments received in advance have been recorded as deferred revenue. As of December 31, 2023 and 2022, \$71,700 and \$64,590 was collected for the 2023 and 2022 education year, respectively.

3. Operating Lease

The Center leases its office premises from the members of the LLC on a month-to-month lease. Total rent paid in 2023 and 2022 was \$16,800 and \$16,800 respectively.

4. SIMPLE Plan

The Center maintains a SIMPLE plan. Employer contributions to the plan are 100% match of the employee's deduction with a maximum contribution of 3% of gross wages to eligible employees. The employer matching contributions for the years ended December 31, 2023 and 2022 were \$2,746.90 and \$2,269.64 respectively.