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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL
OMB Number: 3235-0123
Expires: January 31, 2007
Average burden
hours per response..... 12.00

SEC
Mail Processing
Section

~~ANNUAL~~ AUDITED REPORT
FORM X-17A-5
PART III

FEB 28 2014
Washington DC
404

SEC FILE NUMBER
8-29445



FACING PAGE
Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/2013 AND ENDING 12/31/2013
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: HORIZONS FINANCIAL INVESTMENT CORP.

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

151 Harrington Circle

(No. and Street)

Willingboro, NJ 08046

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Richard J. Isackson

609-877-3355

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Harrison, Mauro & Morgan

(Name - if individual, state last, first, middle name)

586 High Street, P.O. Box 400, Burlington, NJ 08016

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

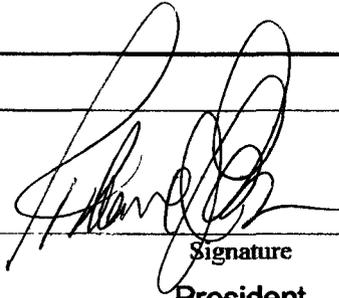
SEC 1410 (06-02)

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3/18/14

OATH OR AFFIRMATION

I, Richard J. Isackson, CFP, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Horizons Financial Investment Corp., as of December 31, 2013, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

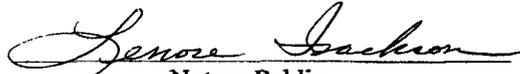


Signature

President

Title

Notary Public of New Jersey
My Commission Expires April 25, 2015


Notary Public

This report ** contains (check all applicable boxes):

- (a) Facing Page,
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 156-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 156-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

"For conditions of confidential treatment of certain portions Of this filing, see section 240.17a-5(e)(3).

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	March 31, 2016
Estimated average burden hours per response.....	12.00

Form X-17A-5

FOCUS REPORT

(Financial and Operational Combined Uniform Single Report)

PART IIA 12

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a) 16

2) Rule 17a-5(b) 17

3) Rule 17a-11 18

4) Special request by designated examining authority 19

5) Other 26

NAME OF BROKER-DEALER

Horizon Financial Investment Corporation 13

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

151 Harrington Circle 20

(No. and Street)

Willingboro NJ 08046 23

(City)

(State)

(Zip Code)

SEC FILE NO.

8-29445 14

FIRM I.D. NO.

1-1-13 15

FOR PERIOD BEGINNING (MM/DD/YY)

12-31-13 24

AND ENDING (MM/DD/YY)

25

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code) --- Telephone No.

30

31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

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DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES 40 NO 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the _____ day of _____ 20__

Manual signatures of:

1) _____
Principal Executive Officer or Managing Partner

2) _____
Principal Financial Officer or Partner

3) _____
Principal Operations Officer or Partner

ATTENTION — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f(a))

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER	Horizon Financial Investment Corporation	as of <u>12-31-13</u>
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STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities	Non-A.I. Liabilities	Total
13. Bank loans payable	\$ 1045	\$ 1255 ¹³	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account	1114	1315	1560
B. Other	1115 ¹⁰	1305	1540
15. Payable to non-customers	1155	1355	1610
16. Securities sold not yet purchased, at market value		1360	1620
17. Accounts payable, accrued liabilities, expenses and other	21,723	1385	21,723
18. Notes and mortgages payable:			
A. Unsecured	1210		1690
B. Secured	1211 ¹²	1390 ¹⁴	1700
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:			
1. from outsiders ⁸ \$ 970		10,000	10,000
2. includes equity subordination (15c3-1(d)) of ... \$ 980		1400	1710
B. Securities borrowings, at market value from outsiders \$ 990		1410	1720
C. Pursuant to secured demand note collateral agreements		1420	1730
1. from outsiders \$ 1000			
2. includes equity subordination (15c3-1(d)) of ... \$ 1010			
D. Exchange memberships contributed for use of company, at market value		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	1750
20. TOTAL LIABILITIES	\$ 21,723	\$ 10,000	\$ 31,723
	1230	1450	1760
Ownership Equity			
21. Sole Proprietorship			1770 ¹⁵
22. Partnership (limited partners)	1020 ¹¹		1780
23. Corporation:			
A. Preferred stock			1791
B. Common stock		2,000	1792
C. Additional paid-in capital			1793
D. Retained earnings		396	1794
E. Total		2,396	1795
F. Less capital stock in treasury			1796 ¹⁶
24. TOTAL OWNERSHIP EQUITY			\$ 2,396
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 34,119
			1810

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

as of 12-31-13

Horizon Financial Investment Corporation

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition	\$	2,396	3480
2. Deduct ownership equity not allowable for Net Capital	%	()	3490
3. Total ownership equity qualified for Net Capital			3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		10,000	3520
B. Other (deductions) or allowable credits (List)			3525
5. Total capital and allowable subordinated liabilities	\$	12,396	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	%	1,000	3540
B. Secured demand note delinquency			3590
C. Commodity futures contracts and spot commodities - proprietary capital charges			3600
D. Other deductions and/or charges			3610
7. Other additions and/or allowable credits (List)		(1,000)	3620
8. Net capital before haircuts on securities positions	%	11,396	3640
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments	\$		3660
B. Subordinated securities borrowings			3670
C. Trading and Investment securities:			
1. Exempted securities	%		3735
2. Debt securities			3733
3. Options			3730
4. Other securities		2,653	3734
D. Undue Concentration			3650
E. Other (List)			3736
		(2,653)	3740
10. Net Capital	\$	8,743	3750

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

Horizon Financial Investment Corporation

as of 12-31-13

COMPUTATION OF NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6 2/3% of line 19)	\$ 1,448	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$ 5,000	3758
13. Net capital requirement (greater of line 11 or 12)	\$ 5,000	3760
14. Excess net capital (line 10 less 13)	\$ 3,743	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$ 2,743	3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$ 21,723	3790
17. Add:		
A. Drafts for immediate credit	\$ 3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$ 3810	
C. Other unrecorded amounts (List)	\$ 3820	
18. Total aggregate indebtedness	\$ 21,723	3840
19. Percentage of aggregate indebtedness to net capital (line 18 + by line 10)	%	248.46 3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	%	3860

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$	3970
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$ 3880	3880
23. Net capital requirement (greater of line 21 or 22)	\$	3760
24. Excess capital (line 10 less 23)	\$	3910
25. Net capital in excess of the greater of:		
A. 5% of combined aggregate debit items or \$120,000	\$	3920

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
 2. 6 2/3% of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER **Horizon Financial Investment Corporation**

For the period (MMDDYY) from 1-1-13 to 2-31-13
 Number of months included in this statement 3933
3931

STATEMENT OF INCOME (LOSS)

REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange	\$		3935
b. Commissions on listed option transactions	%		3938
c. All other securities commissions			3939
d. Total securities commissions			3940
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange			3945
b. From all other trading			3949
c. Total gain (loss)			3950
3. Gains or losses on firm securities investment accounts		5,924	3952
4. Profit (loss) from underwriting and selling groups	%		3955
5. Revenue from sale of investment company shares		36,975	3970
6. Commodities revenue			3990
7. Fees for account supervision, investment advisory and administrative services			3975
8. Other revenue		208	3995
9. Total revenue	\$	43,107	4030

EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers			
11. Other employee compensation and benefits			4120
12. Commissions paid to other broker-dealers			4115
13. Interest expense		1,000	4140
a. Includes interest on accounts subject to subordination agreements		4070	4075
14. Regulatory fees and expenses		3,942	4195
15. Other expenses		34,811	4100
16. Total expenses	\$	39,753	4200

NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16)			
18. Provision for Federal income taxes (for parent only)	%	1,396	4210
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above			4220
a. After Federal income taxes of		4338	4222
20. Extraordinary gains (losses)			4224
a. After Federal income taxes of		4239	4225
21. Cumulative effect of changes in accounting principles			4225
22. Net income (loss) after Federal income taxes and extraordinary items	\$	1,958	4230

MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items			
	\$	(8,558)	4211

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER	Horizon Financial Investment Corporation
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For the period (MMDDYY) from 1-1-13 to 12-31-13

STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period	\$	438	4240
A. Net income (loss)		1,958	4260
B. Additions (includes non-conforming capital of	\$		4260
C. Deductions (includes non-conforming capital of	\$		4270
2. Balance, end of period (From item 1800)	\$	2,396	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period	\$	10,000	4300
A. Increases			4310
B. Decreases			4320
4. Balance, end of period (From item 3520)	\$	10,000	4330

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER Horizon Financial Investment Corporation as of 12-31-13

EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- | | | |
|---|-------------------------------------|------|
| A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 | <input checked="" type="checkbox"/> | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained | <input type="checkbox"/> | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.
Name of clearing firm ³⁹ | <input type="checkbox"/> | 4570 |
| D. (k)(3) — Exempted by order of the Commission (include copy of letter) | <input type="checkbox"/> | 4580 |

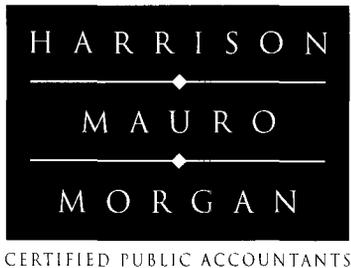
Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposed Withdrawal or Accrual (See below for code)	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
Y ₁ 4600	4601	4602	4603	4604	4605
Y ₂ 4610	4611	4612	4613	4614	4615
Y ₃ 4620	4621	4622	4623	4624	4625
Y ₄ 4630	4631	4632	4633	4634	4635
Y ₅ 4640	4641	4642	4643	4644	4645
Total \$ 5c			4699		

OMIT PENNIES

Instructions: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

WITHDRAWAL CODE:	DESCRIPTIONS
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals



STEVEN M. HARRISON, CPA
RICHARD L. MAURO, CPA
WILLIAM J. MORGAN, CPA
WILLIAM A. BAKER, CPA (1991-2002)

◆
*A Peer Reviewed Member of the
American Institute of Certified Public
Accountants*

◆
*A Member of the New Jersey Society
Of Certified Public Accountants*

February 22, 2014

Board of Directors
Horizons Financial Investment Corporation

RE: Financial and Operational Combined Uniform Single (Focus) Report, Form X-17A-5, Parts IIA and III, and Schedule I, January 1, 2013 to December 31, 2013

Gentlemen:

The annual audited Financial and Operational Combined Uniform Single (FOCUS) Report, Form X-17A-5, Parts IIA and III, and Schedule I for the period beginning January 1, 2013 and ending December 31, 2013 does not differ materially from the unaudited reports filed for the same period.

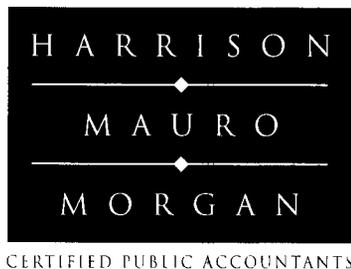
Harrison, Mauro & Morgan, P.A.
Harrison, Mauro & Morgan, P.A.

568 High Street
PO Box 400
Burlington, NJ 08016
609-386-6556
Fax 609-386-6446



The CPA, Never Underestimate The Value.

703 White Horse Road
Suite 5
Voorhees, NJ 08043
856-782-9700
Fax 856-782-2233



STEVEN M. HARRISON, CPA
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**Board of Directors
Horizons Financial Investment Corporation**

In planning and performing our audit of the financial statements of Horizons Financial Investment Corporation, as of and for the year ended December 31, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the company's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express and on the effectiveness of the Company's internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of indebtedness (or aggregate debits) and net capital rule under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13.
2. Complying with the requirement for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

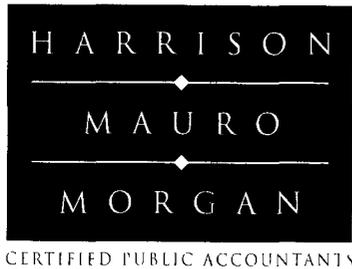
The management of the Company is responsible for establishing and maintaining an internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls, and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the

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Horizons Financial Investments Corp. (cont'd)

Page 2

Company has responsibility are safeguarded against loss form unauthorized use or disposition, and that the transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate

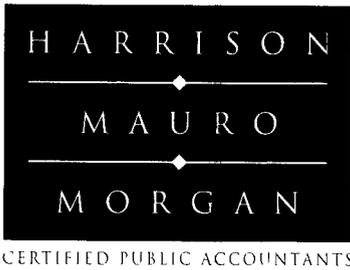
A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined previously.



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Horizons Financial Investments Corp. (cont'd)

Page 3

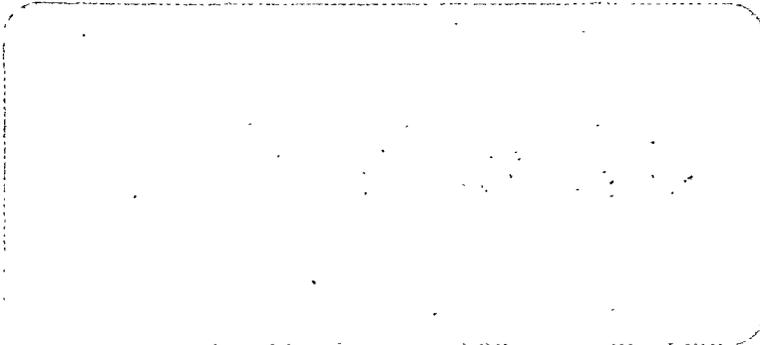
We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2013, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Harrison, Mauro & Morgan, P.A.
Burlington, NJ
February 22, 2014



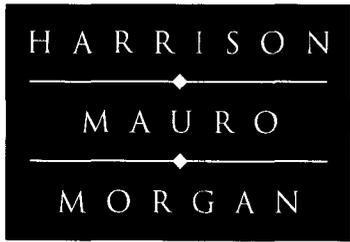
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CERTIFIED PUBLIC ACCOUNTANTS

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CERTIFIED PUBLIC ACCOUNTANTS

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**HORIZONS FINANCIAL
INVESTMENT CORPORATION**

**REPORT ON AUDITS OF
FINANCIAL STATEMENTS**

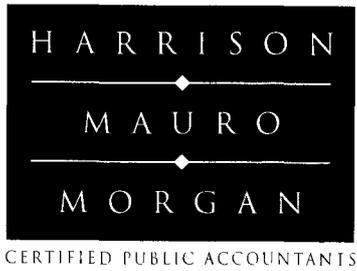
DECEMBER 31, 2013 and 2012

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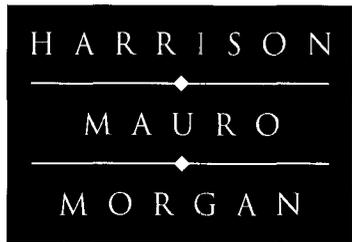
HORIZONS FINANCIAL INVESTMENT CORPORATION

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CERTIFIED PUBLIC ACCOUNTANTS

STEVEN M. HARRISON, CPA
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WILLIAM A. BAKER, CPA (1991-2002)

◆
*A Peer Reviewed Member of the
American Institute of Certified Public
Accountants*

◆
*A Member of the New Jersey Society
Of Certified Public Accountants*

Board of Directors
Horizons Financial Investment Corporation
Willingboro, NJ

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying statements of financial condition of Horizons Financial Investment Corporation as of December 31, 2013 and 2012, and the related statements of operations, changes in stockholders' equity and cash flows for the years then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

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CERTIFIED PUBLIC ACCOUNTANTS

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Horizons Financial Investment Corporation as of December 31, 2013 and 2012 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The information presented in Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. 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 in Schedule I 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Schedule I is fairly stated in all material respects in relation to the financial statements taken as a whole.

Harrison, Mauro & Morgan, PA

Harrison, Mauro & Morgan, PA

February 22, 2014



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HORIZONS FINANCIAL INVESTMENT CORPORATION
STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31,

ASSETS		
CURRENT ASSETS:	<u>2013</u>	<u>2012</u>
Cash	\$ 7,200	\$ 6,269
Cash, Restricted SDL	10,000	10,000
Investments	<u>15,920</u>	<u>9,995</u>
TOTAL CURRENT ASSETS	33,120	26,264
FIXED ASSETS:		
Computer	4,547	4,547
Accumulated Depreciation	<u>(4,547)</u>	<u>(4,030)</u>
	-	517
OTHER ASSETS		
Deferred taxes	<u>1,000</u>	<u>1,867</u>
TOTAL ASSETS	\$ <u>34,120</u>	\$ <u>28,648</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts Payable	\$ 20,224	16,690
Income taxes payable	500	520
Interest Payable	1,000	1,000
SDL Collateral Payable	<u>10,000</u>	<u>10,000</u>
TOTAL CURRENT LIABILITIES	31,724	28,210
STOCKHOLDERS' EQUITY:		
Common Stock, authorized 2,500 shares, no par value; 2000 shares issued and outstanding	2,000	2,000
Accumulated other comprehensive income	8,120	2,196
Retained (Deficit)	<u>(7,724)</u>	<u>(3,758)</u>
TOTAL STOCKHOLDERS' EQUITY	<u>2,396</u>	<u>438</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ <u>34,120</u>	\$ <u>28,648</u>

See Notes to Financial Statements.



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HORIZONS FINANCIAL INVESTMENT CORPORATION
STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31,

	<u>2013</u>	<u>2012</u>
REVENUES		
Commission Income	\$ 37,183	\$ 37,020
Management/Advisory Income	<u>-</u>	<u>2,000</u>
	37,183	39,020
EXPENSES		
Computer Expenses	5,573	6,224
Cable	2,447	2,482
Fees, registrations, etc.	3,942	1,736
Interest	1,000	1,000
Depreciation	517	684
Dues and Subscriptions	562	665
Miscellaneous	989	1,559
Office Supplies and Expenses	659	216
Postage	75	220
Professional fees	6,280	5,980
Rent	10,200	10,200
Repairs and Maintenance	504	2,401
Telephone	2,140	2,085
Training, Seminars, etc.	804	798
Travel and Entertainment	449	776
Utilities	<u>3,612</u>	<u>3,063</u>
TOTAL OPERATING EXPENSES	<u>39,753</u>	<u>40,089</u>
INCOME BEFORE INCOME TAXES	(2,570)	(1,069)
PROVISION FOR INCOME TAXES	<u>1,396</u>	<u>693</u>
NET INCOME (LOSS)	(3,966)	(1,762)
OTHER COMPREHENSIVE INCOME (LOSS)		
NET OF TAXES		
Unrealized gain (loss) on Investment	<u>5,924</u>	<u>144</u>
NET COMPREHENSIVE INCOME	<u>1,958</u>	<u>(1,618)</u>
BASICS EARNINGS PER SHARE	<u>\$0.97</u>	<u>(\$0.80)</u>

See notes to Financial Statements.



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HORIZONS FINANCIAL INVESTMENT CORPORATION
STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>Common Stock</u>	<u>Retained Earnings (Deficit)</u>	<u>Total</u>
Balance at January 1, 2012	\$ 2,000	56 \$	2,056
Net Comprehensive Income - 2012	-	(1,618)	(1,618)
Balance at end of December 31, 2012	\$ <u>2,000</u>	\$ <u>(1,562)</u>	\$ <u>438</u>
Net Comprehensive Income - 2013	-	1,958	1,958
Balance at end of December 31, 2013	\$ <u>2,000</u>	\$ <u>396</u>	\$ <u>2,396</u>

See Notes to Financial Statements.



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HORIZONS FINANCIAL INVESTMENT CORPORATION
STATEMENTS OF CASH FLOWS
YEAR ENDED DECEMBER 31,

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$ 1,958	\$ (1,618)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	517	684
Deferred taxes	867	149
Net Unrealized Gain/ Loss on investments	<u>(5,924)</u>	<u>(144)</u>
(Increase) Decrease in operating assets:		
Accounts receivable	-	-
Increase (Decrease) in operating liabilities:		
Accounts Payable	3,534	1,045
Income Taxes Payable	<u>(20)</u>	
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	932	116
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	<u>-</u>	<u>-</u>
NET CASH FLOW PROVIDED BY INVESTING ACTIVITIES	-	-
NET DECREASE IN CASH	932	116
CASH AT BEGINNING OF YEAR	<u>16,268</u>	<u>16,152</u>
CASH AT END OF YEAR	\$ <u>17,200</u>	<u>16,268</u>
SUPPLEMENTAL DISCLOSURES:		
Interest Paid	\$ <u>1,000</u>	<u>1,000</u>
Income Taxes Paid	\$ <u>-</u>	<u>520</u>

See Notes to Financial Statements.



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HORIZONS FINANCIAL INVESTMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012

Note A- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Horizons Financial Investment Corporation conducts its business as a broker/dealer in Securities and is a registered member of F.I.N.R.A. and S. I. P. C.

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.

Cash Equivalents

For purposes of the statement of cash flows, short term investments which have an original maturity of ninety days or less are considered cash equivalents.

Subsequent Events

The Company has evaluated subsequent events through February, 22, 2014, which is the date the financial statements were available to be issued.



HORIZONS FINANCIAL INVESTMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013 AND 2012

Note A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable at the balance sheet date represents commissions due from a trade made in the prior year. Any accounts receivable deemed uncollectible are charged to expense in the year of uncollectibility. An allowance for doubtful accounts is maintained based on maturity of accounts receivable.

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight line method over five years. Maintenance and repairs are charged to operations when incurred.

Investments

Investments in marketable securities are valued at fair market value in the statement of financial condition. Unrealized gains and losses are included in the statements of income.

Commissions

Commissions and related clearing expenses are recorded on a trade-date basis as transactions occur.

Note B- LEASE COMMITMENTS, RELATED PARTY TRANSACTIONS

The Company leases space and various pieces of equipment, furnishings and fixtures from the President on a month to month basis. Office rent in the amount of \$10,200 was paid for 2013 and 2012, respectively. Lease payments for office equipment were \$600 in 2013 and 2012, respectively.



HORIZONS FINANCIAL INVESTMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013 AND 2012

Note B- LEASE COMMITMENTS RELATED PARTY TRANSACTIONS (continued)

\$17,224 of accounts payable relate to amounts owed to President for these lease amounts.

Note C- SECURED DEMAND LOAN

The Company is obligated under a subordinated demand note payable to its Secretary and Stockholder in the amount of \$10,000. This note bears interest at the rate of 10% per annum payable semiannually. The note is secured by segregated restricted cash funds.

Note D- NET CAPITAL REQUIREMENTS

The Company is subject to the securities and exchange commission Uniform Net Capital Rule (Rule 15C3-1) which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital both as defined shall not exceed 15 to 1 (and the rule of applicable exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2013 and 2012 the Company had net capital of \$8,743 and \$6,290, respectively. The Company's net capital ratio was 2.48 to 1 for December 31, 2013 and 2.89 to 1 for December 31, 2012.



HORIZONS FINANCIAL INVESTMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012

Note E- INCOME TAXES

The provision for income taxes on the income statement consist of the following:

	<u>2013</u>	<u>2012</u>
Federal:		
Current provision	\$ -0-	\$ -0-
Deferred	<u>537</u>	<u>123</u>
	537	123
State:		
Current provision	530	520
Deferred	<u>329</u>	<u>50</u>
	<u>859</u>	<u>570</u>
	<u>\$ 1,396</u>	<u>\$693</u>

The company has a net operating loss carry forward of \$9,400 for federal and state income taxes that will expire from 2030 - 2031 for federal income tax purposes and 2017-2018 for state income tax purposes.



HORIZONS FINANCIAL INVESTMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012

Note F- INVESTMENTS

Investments are stated at fair value unless otherwise noted at cost, and consist of the following as of:

		<u>December 31, 2013</u>	
		<u>Market</u>	<u>Unrealized Gain</u>
		<u>Value</u>	<u>On Investment</u>
	<u>Cost</u>		
Marketable securities	\$ <u>7,800</u>	\$ <u>15,920</u>	\$ <u>8,120</u>

		<u>December 31, 2012</u>	
		<u>Market</u>	<u>Unrealized Gain</u>
		<u>Value</u>	<u>On Investment</u>
	<u>Cost</u>		
Marketable securities	\$ <u>7,800</u>	\$ <u>13,241</u>	\$ <u>5,441</u>

This investment is considered a level 1 input in the fair value hierarchy.



HORIZONS FINANCIAL INVESTMENT CORPORATION
COMPUTATION OF NET CAPITAL UNDER RULE 15C3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION
YEARS ENDED DECEMBER 31,

	<u>2013</u>	<u>2012</u>
Net Capital	\$ 2,396	\$ 438
Deduct: Stockholders' Equity not allowable for net capital	_____ -	_____ -
Total Stockholders' Equity qualified for net capital	2,396	438
Add: Subordinated borrowings allowable in computation for net capital	10,000	10,000
Other allowable credits	-	-
Total Capital and allowable subordinated liabilities	<u>12,396</u>	<u>10,438</u>
Deductions and/or Charges:		
Total nonallowable assets from Statement of Financial Condition	<u>(1,000)</u>	<u>(2,384)</u>
Net Capital before haircuts on security positions	11,396	8,054
Haircuts on Securities	<u>(2,653)</u>	<u>(1,764)</u>
Net Capital	<u>8,743</u>	<u>6,290</u>

