CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

September 30, 2019 and 2018

With Independent Auditor's Report

BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Visiting Nurse Association of the Treasure Coast, Inc. and Affiliates

We have audited the accompanying consolidated financial statements of Visiting Nurse Association of the Treasure Coast, Inc. and Affiliates, which comprise the consolidated balance sheets as of September 30, 2019 and 2018, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Visiting Nurse Association of the Treasure Coast, Inc. and Affiliates as of September 30, 2019 and 2018, and the consolidated results of their operations, changes in their net assets and their consolidated cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

Other Matters

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the 2019 and 2018 consolidated financial statements as a whole. The consolidating information is presented for the purpose of additional analysis of the consolidated financial statements, rather than to present the financial position, results of operations and changes in net assets of the individual organizations and is not a required part of the consolidated financial statements. 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as of and for the years ended September 30, 2019 and 2018 as a whole.

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, in 2019 the Association adopted new accounting guidance, Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
January 28, 2020

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidated Balance Sheets

September 30, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	**$ 226,774**	$ 1,120,176
Patient accounts receivable, less allowance for uncollectible accounts of $213,638 in 2019 and $93,011 in 2018	**2,763,118**	2,500,043
Pledges receivable, net	**148,758**	63,036
Prepaid expenses	**171,464**	278,382
Short-term investments	**2,355,436**	-
Total current assets	**5,665,550**	3,961,637
Long-term investments	**20,371,521**	21,029,257
Property and equipment, net	**2,336,710**	2,559,268
Goodwill	**1,200,000**	1,200,000
Other assets	**63,543**	64,546
Total assets	**$29,637,324**	$28,814,708

LIABILITIES AND NET ASSETS

	2019	2018
Current liabilities		
Line of credit	**$ 911,864**	$ 1,411,380
Current portion of lease payable	**55,882**	55,882
Accounts payable and accrued expenses	**1,138,002**	1,209,842
Accrued payroll and related expenses	**1,738,395**	1,458,362
Total current liabilities	**3,844,143**	4,135,466
Lease payable, less current portion	**9,421**	65,303
Obligations under charitable gift annuities	**670,616**	729,762
Total liabilities	**4,524,180**	4,930,531
Net assets		
Without donor restrictions	**9,890,920**	9,324,764
With donor restrictions	**15,222,224**	14,559,413
Total net assets	**25,113,144**	23,884,177
Total liabilities and net assets	**$29,637,324**	$28,814,708

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

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidated Statements of Operations

Years Ended September 30, 2019 and 2018

	2019	2018
Operating revenue		
Patient service revenue	**$28,418,116**	$25,564,218
(Provision for) recovery of bad debts	**(238,024)**	24,659
Net patient service revenue	**28,180,092**	25,588,877
Net assets released from restrictions for operations	**1,657,118**	491,885
Thrift shop and other operating revenue	**944,063**	962,562
Contributions	**2,280,439**	3,399,659
Total operating revenue	**33,061,712**	30,442,983
Operating expenses		
Salaries and benefits	**23,780,032**	21,269,787
Other operating expenses	**8,395,822**	9,106,880
Depreciation and amortization	**373,442**	370,272
Interest expense	**84,362**	54,337
Total operating expenses	**32,633,658**	30,801,276
Operating surplus (loss)	**428,054**	(358,293)
Other revenue and gains (losses)		
Investment income, net of expenses	**477,603**	187,304
Realized gains on investments	**343,805**	545,848
Change in charitable gift annuity liability and related expenses	**(325,849)**	(72,516)
Other non-operating revenue (expenses)	**(12,384)**	1,692
Other revenue and gains, net	**483,175**	662,328
Excess of revenue over expenses	**911,229**	304,035
Unrealized (loss) gain on investments	**(345,073)**	22,768
Reclassification of net assets	**-**	428,337
Change in net assets without donor restrictions	**$ 566,156**	$ 755,140

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

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidated Statements of Changes in Net Assets

Years Ended September 30, 2019 and 2018

	2019	2018
Net assets without donor restrictions		
Excess of revenue over expenses	**$ 911,229**	$ 304,035
Unrealized (loss) gain on investments	**(345,073)**	22,768
Reclassification of net assets	**-**	428,337
Change in net assets without donor restrictions	**566,156**	755,140
Net assets with donor restrictions		
Contributions	**2,209,943**	436,750
Investment income	**143,711**	138,192
Realized gains on investments	**141,465**	285,222
Unrealized (loss) gain on investments	**(175,190)**	46,665
Net assets released from restrictions for operations	**(1,657,118)**	(491,885)
Reclassification of net assets	**-**	(428,337)
Change in net assets with donor restrictions	**662,811**	(13,393)
Change in net assets	**1,228,967**	741,747
Net assets, beginning of year	**23,884,177**	23,142,430
Net assets, end of year	**$25,113,144**	$23,884,177

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

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidated Statements of Cash Flows

Years Ended September 30, 2019 and 2018

	2019	2018
Cash flows from operating activities		
Change in net assets	**$ 1,228,967**	$ 741,747
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	**373,442**	370,272
(Recovery of) provision for bad debts	**238,024**	(24,659)
Unrealized gains on investments	**520,263**	(69,433)
Realized gains on investments	**(485,270)**	(831,070)
Change in charitable gift annuity liability	**(59,146)**	(65,405)
Contributions for long-term purposes	**(27,500)**	(173,610)
(Increase) decrease in the following assets		
Patient accounts receivable	**(501,099)**	400,929
Pledges receivable	**(85,722)**	(27,995)
Prepaid expenses	**106,918**	(35,204)
Other assets	**1,003**	676
Increase (decrease) in the following liabilities		
Accounts payable and accrued expenses	**(23,280)**	(26,755)
Accrued payroll and related expenses	**280,033**	129,120
Net cash provided by operating activities	**1,566,633**	388,613
Cash flows from investing activities		
Purchases of investments	**(12,431,661)**	(5,252,752)
Proceeds from the sale of investments	**10,698,968**	5,605,569
Purchases of property and equipment	**(199,444)**	(247,692)
Net cash (used) provided by investing activities	**(1,932,137)**	105,125
Cash flows from financing activities		
Contributions with long-term donor restrictions	**27,500**	173,610
Proceeds from line of credit	**-**	452,828
Repayments on line of credit	**(499,516)**	-
Principal payments on lease payable	**(55,882)**	-
Net cash (used) provided by financing activities	**(527,898)**	626,438
Net (decrease) increase in cash and cash equivalents	**(893,402)**	1,120,176
Cash and cash equivalents, beginning of year	**1,120,176**	-
Cash and cash equivalents, end of year	**$ 226,774**	$ 1,120,176
Supplemental disclosure of cash flow information		
Interest paid	**$ 84,362**	$ 54,337
Property and equipment acquired under capital lease	**-**	67,907
Property and equipment in accounts payable	**-**	48,560

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

1. Summary of Significant Accounting Policies

Organization

The consolidated financial statements include Visiting Nurse Association of the Treasure Coast, Inc. (VNA - Treasure Coast) and its controlled affiliates (together referred to as the Association). All significant inter-entity transactions have been eliminated in the consolidation. The controlled affiliates of VNA - Treasure Coast include Visiting Nurse Association of Indian River County, Inc. (IRC), Hospice of Indian River County, Inc. (Hospice), VNA Space Coast, Inc. (Space Coast), and Visiting Nurse Association & Hospice Foundation, Inc. (Foundation). Each entity, controlled by sole corporate membership, is incorporated as a not-for-profit corporation under the laws of the State of Florida and is a not-for-profit corporation, as described in Section 501(c)(3) of the Internal Revenue Code. Each entity is exempt from federal and state income taxes under Section 501(a) of the Internal Revenue Code and Chapter 220.13 of the Florida Statutes, respectively. The purpose and mission of each entity is as follows:

VNA – Treasure Coast – provides management and administrative services to its controlled affiliates and the Foundation. In 2012, Private Care merged into VNA-Treasure Coast. Private Care provides private duty and intermittent home healthcare services to patients. Services provided by Private Care include skilled nursing care, home health aides, and companionship. In 2014, Community Services merged with VNA Treasure Coast. Services provided by Health Services include Mobile Unit services and the flu program to patients.

IRC – provides intermittent home healthcare services to homebound patients in and around Indian River County and is a certified Medicare and Medicaid provider. Services provided by IRC include skilled nursing care, physical, speech and occupational therapy, medical social work services, home health aides and dietician.

Hospice – provides a variety of services to the terminally ill and their families. Some of the services provided include nursing, bereavement, social services, and counseling for family members. Hospice is Medicare and Medicaid certified. Hospice also operates a 12-bed residential/inpatient Hospice House. The Hospice House was built by, is owned by, and is leased from the Foundation. The land that the Hospice House building is located on is leased by the Foundation from Indian River County Hospital District for $1 per year.

Space Coast – provides intermittent home healthcare services to homebound patients and is a certified Medicare and Medicaid provider. Services provided by Space Coast in Brevard County, Florida included skilled nursing care, physical, speech and occupational therapy, medical social work services, home health aides and dietician.

VNA Space Coast Private Care, Inc. - provides private duty home health care services to private pay patients needing skilled and unskilled care. Services provided through home health aides, certified nursing assistants, companions and nurse case managers. This entity was established during 2019.

Foundation – solicits and raises funds and endowments to provide financial support to the Association. The Foundation's strategic vision is to inspire philanthropists and donors to partner with the Association to build a healthier community for all. This is accomplished by engaging current donors and those with an interest in or linkage to home health or hospice care; developing Board members who inspire others to become involved as champions and supports; enhancing collaborative relations with the Association and other community partners; assuring best practices in Foundation accountability and service. The Foundation Board of Directors is committed to raising contributions in the community through a comprehensive and integrated fund development plan. These charitable investments support the priority needs of the Association, which may include charity care for underserved or uninsured patients, capital projects, Hospice House operations and program initiatives.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as follows based on the existence or absence of donor-imposed restrictions in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic (ASC) 958, *Not-for-Profit Entities.* Under FASB ASC 958 and FASB ASC 954, *Health Care Entities*, all not-for-profit healthcare organizations are required to provide a balance sheet, a statement of operations, a statement of changes in net assets, and a statement of cash flows. FASB ASC 954 requires reporting amounts for an organization's total assets, liabilities, and net assets in a balance sheet; reporting the change in an organization's net assets in statements of operations and changes in net assets; and reporting the change in its cash and cash equivalents in a statement of cash flows.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Association. These net assets may be used at the discretion of the Association's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions are to be met by actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of operations and changes in net assets.

Income Taxes

The Association consists of public charities under Section 501(c)(3) of the Internal Revenue Code. As public charities, the Association is exempt from state and federal income taxes on income earned in accordance with its tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Association’s tax positions and concluded that the Association has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding restricted cash.

The Association has cash deposits in a major financial institution in excess of $250,000, which may exceed federal depository insurance limits. The Association has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk with respect to these accounts.

The Association targets the cash balance in its operating accounts to not exceed $100,000 through utilization of an automatic sweep of deficit/excess funds against its bank line of credit agreement to minimize interest expense on the line of credit.

Allowance For Uncollectible Accounts

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts by analyzing its past history of write-offs and collections and current credit conditions. Management periodically reviews data about revenue in evaluating the appropriateness of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts.

A reconciliation of the allowance for uncollectible accounts follows:

	2019	2018
Balance, beginning of year	**$ 93,011**	$ 184,163
Provision for (recovery of) bad debts	**238,024**	(24,659)
Write-offs	**(117,397)**	(66,493)
Balance, end of year	**$ 213,638**	$ 93,011

The provision for bad debts increased in 2019 due to increases in the aging of accounts receivable.

Investments

Investments are measured at fair value in the balance sheet. Realized gains and losses on sales of investments are computed based on specific identification of the investment sold. Investment income or loss is included in the excess of revenue over expenses unless restricted by donor or law. Certain realized gains restricted by law or donors and all unrealized gains and temporary unrealized losses on investments are excluded from the excess of revenue over expenses.

On a periodic basis, the Association evaluates its investments to determine if declines in market value below cost are other than temporary. If such declines are determined to be other than temporary, an impairment charge is recognized and included in the excess of revenue over expenses.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the balance sheets, statements of operations, and changes in net assets.

Net Assets With Donor Restrictions

Net assets with donor restrictions are those whose use by the Association has been limited by donors to a specific time period or purpose. The Association had net assets with donor restrictions of $15,222,224 in 2019 and $14,559,413 in 2018.

Pledges Receivable

Pledges receivable that are expected to be collected within one year are recorded at net realizable value. Pledges receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the pledges are received.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Maintenance, repairs and minor renewals are expensed as incurred, and renewals and betterments are capitalized. Depreciation expense is computed using the straight-line method over the useful lives of the related assets.

Goodwill

Goodwill is recognized for the excess of the purchase price over the fair value of tangible and intangible net assets of businesses acquired. Goodwill is reviewed for possible impairment at least annually or more frequently upon the occurrence of an event or when circumstances indicate that a reporting unit’s carrying amount is greater than its fair value. During the year ended September 30, 2019, the Association completed this impairment review which indicated that there was no impairment.

Endowment

The Association has one endowment fund for the Hospice House. The fund was established for the purpose of providing income to support general operations of the Hospice House. As required by GAAP, net assets of an endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions. The Board of Directors of the Association has interpreted relevant state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund. As a result of this interpretation, the Association classifies as net assets with donor restrictions (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund (also known as historical cost). Net appreciation in excess of the historical cost is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of procedure prescribed by the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

Patient Service Revenue

Providers of home health services to clients eligible for Medicare home health benefits are paid on a prospective basis, with no retrospective settlement. The prospective payment is based on the scoring attributed to the acuity level of the client at a rate determined by federal guidelines.

Providers of hospice services to clients eligible for Medicare hospice benefits are paid on a per diem basis, with no retrospective settlement, provided the Association's aggregate annual Medicare reimbursement is below a predetermined aggregate capitated rate. Revenue is recognized as the services are performed based on the fixed-rate amount.

Charges for services to all patients are recorded as revenue when services are rendered at the net realizable amounts from patients, third-party payers and others, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued for on an estimated basis in the period the related services are rendered and in future periods as final settlements are determined. Patients unable to pay full charge, who do not have other third-party resources, are charged a reduced amount based on the Association's published sliding fee scale. Reductions in full charge are recognized when the service is rendered.

Charitable Gift Annuity Program

The Association maintains a charitable gift annuity program. Under this program, the Association agrees to pay the annuitant a fixed payment over the annuitant’s remaining life in exchange for a lump-sum gift. The Association’s annuity payment liability is recorded at the present value of these payments using actuarially based assumptions.

Recently Issued Accounting Pronouncement

In August 2016, FASB issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The new ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the new ASU, net asset reporting is streamlined and clarified. The previous three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance for classifying deficiencies in endowment funds and on accounting for the lapsing of restrictions on gifts to acquire property, plant, and equipment has also been simplified and clarified. New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses. The ASU is effective for the Association for the year ended September 30, 2019. Required disclosures for 2018 are also included in these financial statements.

2. Availability and Liquidity of Financial Assets

As of September 30, 2019, the Association has working capital of $1,821,407 and average days (based on normal expenditures) cash and liquid investments on hand of 10, which includes cash and investments, net of restricted amounts.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses and capital acquisitions not financed with debt or restricted funds (unfunded capital expenditures), were as follows:

	2019	2018
Cash and cash equivalents	**$ 226,774**	$ 1,120,176
Patient accounts receivable, net	**2,763,118**	2,500,043
Portion of expected endowment draw available for operations	**53,603**	103,440
Investments	**623,074**	-
Financial assets available to meet cash needs for general expenditures and unfunded capital expenditures within one year	**$ 3,666,569**	$ 3,723,659

The Association has certain long-term investments to use which are available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the information above. The Association has other long-term investments and assets for restricted use, which are more fully described in Note 3, that are not available for general expenditure within the next year and are not reflected in the amount above.

The Association also has a line of credit available to meet short-term needs. See Note 7 for information about this arrangement.

The Association manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability;
- Maintaining adequate liquid assets; and
- Maintaining sufficient reserves to provide reasonable assurance that long-term commitments and obligations under endowments with donor restrictions and board-designated endowments that support mission fulfillment will continue to be met, ensuring the sustainability of the Association.

3. Investments

Investments are stated at fair value and consist of the following:

	2019	2018
Cash and cash equivalents	**$ 2,678,314**	$ 325,500
Government agencies	**2,503,331**	2,938,517
Corporate bonds	**3,227,661**	3,691,722
Equities	**14,025,048**	13,808,338
Real estate funds	**292,603**	265,180
Total investments	**$22,726,957**	$21,029,257
Endowment	**$12,066,980**	$12,313,031
Without donor restrictions for current use	**623,074**	-
Without donor restrictions for long-term growth	**3,407,850**	4,341,281
With donor restrictions for current use	**1,732,362**	-
With donor restrictions - purpose restrictions	**2,035,911**	1,867,809
Charitable gift annuities	**2,860,780**	2,507,136
Total investments	**$22,726,957**	$21,029,257

4. Fair Value Measurement

FASB ASC 820, *Fair Value Measurement*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants and also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy within ASC Topic 820 distinguishes three levels of inputs that may be utilized when measuring fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value of the Association's investments, with the exception of government agencies, corporate bonds and real estate, is measured on a recurring basis using level 1 inputs. The fair value of the Association's government agencies and corporate bonds is measured based on level 2 inputs. The fair value is determined annually based on quoted market prices of similar instruments. The fair value of the Association's real estate funds is based on level 3 inputs. The fair market value of the real estate investments is determined by the Association's share of the fair value of the underlying assets, and is provided by the custodian.

Financial assets measured at fair value on a recurring basis at September 30 consisted of the following:

2019	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 2,678,314	$ -	$ -	$ 2,678,314
Government agencies	-	2,503,331	-	2,503,331
Corporate bonds	-	3,227,661	-	3,227,661
Equities	14,025,048	-	-	14,025,048
Real estate funds	-	-	292,603	292,603
	$16,703,362	$ 5,730,992	$ 292,603	$22,726,957

2018	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 325,500	$ -	$ -	$ 325,500
Government agencies	-	2,938,517	-	2,938,517
Corporate bonds	-	3,691,722	-	3,691,722
Equities	13,808,338	-	-	13,808,338
Real estate funds	-	-	265,180	265,180
	$14,133,838	$ 6,630,239	$ 265,180	$21,029,257

The following presents the change in the assets measured at fair value based on Level 3 inputs:

Balance, September 30, 2017	$ 348,281
Unrealized gains	25,947
Purchases	17,978
Sales	(127,026)
Balance, September 30, 2018	265,180
Unrealized gains	**49,574**
Realized gains	**5,545**
Purchases	**34,522**
Sales	**(62,218)**
Balance, September 30, 2019	**$ 292,603**

Certain assets are measured at fair value on a nonrecurring basis; that is, the instruments are not measured at fair value on an ongoing basis, but are subject to fair value adjustments in certain circumstances (for example, when there is evidence of impairment). As described in ASC 350, *Intangibles - Goodwill and Other*, the Association has an option to perform an initial assessment of qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is greater than the unit's carrying amount and, thus, to determine whether it is necessary to perform Step 1 of the two-step goodwill impairment test. During 2018, the Association performed initial assessments of qualitative factors to determine whether it is more likely than not that the fair value is greater than the carrying amount. Goodwill was measured at fair value on a nonrecurring basis as a Level 3 asset and has been recorded using the income approach, based on forecasted cash flows discounted at an 11% rate as follows:

Goodwill	$ 1,200,000

5. Endowment

In accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA), the Association considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund;
(2) The purposes of the Association and the donor-restricted endowment fund;
(3) General economic conditions;
(4) The possible effect of inflation and deflation;
(5) The expected total return from income and the appreciation of investments;
(6) Other resources of the Association; and
(7) The investment policies of the Association.

Spending Policy

The Association has a policy of appropriating a distribution annually based on the average total investment return for the preceding twelve quarters adjusted for inflation, but not to exceed 5% nor be less than 3% of the average portfolio value.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Association to retain as a fund of perpetual duration. In accordance with GAAP, there were no deficiencies of this nature that are reported as of September 30, 2019 and 2018.

Return Objectives and Risk Parameters

The Association has adopted an investment policy for endowment assets that attempts to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Association must hold in perpetuity or for a donor-specified period and whose income is available for operations. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that meet or exceed designated benchmarks while incurring a reasonable and prudent level of investment risk. The endowment assets consist of a balanced portfolio of cash, debt and equity securities.

Endowment Net Asset Composition by Type of Fund

The endowment net asset composition by type of fund is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, September 30, 2017	$ 1,383,668	$ 10,405,780	$ 11,789,448
Contributions	-	173,610	173,610
Investment income	116,214	173,179	289,393
Investment fees	(21,027)	(34,987)	(56,014)
Realized gains	171,413	285,222	456,635
Unrealized gains	28,046	46,665	74,711
Spending policy appropriation	(63,746)	(351,006)	(414,752)
Reclassification of net assets	428,337	(428,337)	-
Balance, September 30, 2018	2,042,905	10,270,126	12,313,031
Contributions	**114,917**	**27,500**	**142,417**
Investment income	**107,424**	**169,553**	**276,977**
Investment fees	**(20,655)**	**(32,602)**	**(53,257)**
Realized gains	**89,628**	**141,465**	**231,093**
Unrealized (losses) gains	**(110,995)**	**(175,190)**	**(286,185)**
Spending policy appropriation	**(103,440)**	**(453,656)**	**(557,096)**
Balance, September 30, 2019	**$ 2,119,784**	**$ 9,947,196**	**$ 12,066,980**

Net assets with donor restrictions consist of the following:

	2019	2018
Specific purpose		
Hospice house operations	**$ 2,284,372**	$ 508,538
Home health and hospice	**2,122,334**	2,985,075
Hospice funds	**800,721**	692,163
Diabetes Bleyer Estate	**12,544**	12,659
Other	**55,057**	90,852
Total specific purpose	**5,275,028**	4,289,287
Subject to the Association's spending policy and appropriation		
Donor restricted endowment funds for Hospice House	**2,382,206**	2,732,636
Donor restricted endowment funds for Hospice House in perpetuity	**7,564,990**	7,537,490
Total donor restricted endowment	**9,947,196**	10,270,126
Total net assets with donor restrictions	**$ 15,222,224**	$ 14,559,413

In 2018, the Association reviewed historical data relating to income and appreciation allocations between board designated and donor restricted endowed investments. As a result, a portion of investment income was reclassified from with donor restrictions to board designated net assets.

6. Property and Equipment

Property and equipment consists of the following:

	2019	2018
Equipment, furniture and fixtures	**$ 5,236,056**	$ 5,055,378
Building and improvements	**2,342,056**	2,335,306
Leasehold improvements	**1,778,127**	1,769,887
Land and improvements	**129,139**	123,239
Vehicles	**262,134**	262,134
Construction in progress	**30,675**	94,582
Total cost	**9,778,187**	9,640,526
Less accumulated depreciation	**7,441,477**	7,081,258
Property and equipment, net	**$ 2,336,710**	$ 2,559,268

The Association constructed its hospice facility on land owned by the Indian River County Hospital District (the Hospital District). The land is leased under an agreement which provides, among other things, for an annual payment to the Hospital District of $1 through December 31, 2026. These consolidated financial statements reflect the $1,050,000 fair value of this land use right, as determined by an independent appraisal.

7. Line of Credit

The Association has a $4,000,000 line of credit arrangement with a bank. This arrangement provides for short-term borrowings at a rate of the greater of 1% or the bank's prime rate minus 1%. The line of credit is collateralized by substantially all assets of VNA - Treasure Coast. The amount outstanding was $911,864 and $1,411,380 as of September 30, 2019 and 2018, respectively. Interest expense related to the line of credit was $84,362 and $54,337 for the years ended September 30, 2019 and 2018, respectively.

8. Charitable Gift Annuities

The Association has a Charitable Gift Annuity Program (the CGA) whereby the donor makes a gift to the Association and the Association agrees to pay a specified income to the donor for life. The asset is measured at fair value when received. Investments are limited to conservative assets, as further defined by Florida statutes. The Internal Revenue Service published discount rate at the date of each gift is the discount rate used to determine the present value of the expected future cash flows to be paid to the annuitant.

Contribution revenue is recognized as the difference between the asset and liability upon receipt of the donation. In subsequent periods, payments to the annuitant reduce the annuity liability. Adjustments to the annuity liability to reflect amortization of the discount and changes in life expectancy of the donor are netted against the related contributions in the consolidated statements of operations and changes in net assets. Total contribution revenue from the CGAs, net of reserve for annuity payments, was approximately $497,251 and $159,119 in 2019 and 2018, respectively. The annuity liability for the future cash flows expected to be paid to the annuitants was $670,616 and $729,762 at September 30, 2019 and 2018, respectively.

9. Leases Payable

Maturities of capital lease obligations are as follows:

2020	$ 55,882
2021	12,194
	$ 68,076

10. Defined Contribution Plan

The Association has a defined contribution tax deferred annuity plan. Eligible employees may contribute a percentage of their salary to the plan through elective deferrals, up to the maximum amount allowed by current law. The Association matched 50% of employees' elective deferrals up to 3% during the years ended September 30, 2019 and 2018. Employee contributions immediately vest 100%. Employees with over five years of service vest in the Association's profit sharing and matching contributions for each plan. The Association recognized employer contributions of $175,254 in 2019 and $189,400 in 2018.

11. Patient Service Revenue

Patient service revenue is as follows:

	2019	2018
Medicare	$21,814,410	$19,524,533
Medicaid	805,603	751,548
Other third-party payers and private pay	5,798,103	5,288,137
Total	$28,418,116	$25,564,218

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. The Association believes that it is in substantial compliance with all applicable laws and regulations. However, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenue in the year that such amounts become known.

The Association provides care to clients who meet certain criteria without charge or at amounts less than its established rates. The Foundation provides a Charity Care Program to reimburse the Association for services rendered to such patients, based upon an individual financial assessment of each patient's capacity to pay for these services.

Additionally, the cost of providing care to both Medicaid and IRC indigent patients is not fully paid for by these respective programs. Accordingly, the Foundation subsidizes the costs for services provided to Medicaid patients.

The total amount of charity care provided, including subsidized service to Medicaid patients, was $644,838 in 2019 and $674,398 in 2018.

12. Functional Expenses

The Association provides various services to residents within its geographic location. Expenses related to providing these services are as follows:

	2019	2018
Program services		
Salaries and benefits	**$16,959,486**	$16,214,334
Contract services	**949,640**	1,185,216
Program supplies	**2,578,728**	2,297,510
Telephone	**389,581**	432,064
Transportation	**379,827**	336,887
Other operating expenses	**1,647,094**	1,652,580
Depreciation and amortization	**61,241**	79,013
Interest	**32,986**	21,996
Total program services	**22,998,583**	22,219,600
Administrative and general		
Salaries and benefits	**6,604,057**	4,846,264
Contract services	**417,096**	1,434,206
Program supplies	**212,246**	162,280
Transportation	**89,400**	46,411
Other operating expenses	**1,486,377**	1,355,198
Depreciation and amortization	**304,584**	283,642
Interest	**51,376**	32,341
Total administrative and general	**9,165,136**	8,160,342
Fundraising		
Salaries and benefits	**216,489**	209,189
Contract services	**5,580**	4,100
Other operating expenses	**240,253**	200,428
Depreciation and amortization	**7,617**	7,617
Total fundraising	**469,939**	421,334
Total	**$32,633,658**	$30,801,276

The Association uses Medicare cost reporting methodology for allocation of expenses among program services, administrative and general, and fundraising expenses.

13. Commitments

Leases that do not meet the criteria for capitalization are classified as operating leases with related rental charged to operations as incurred. Future minimum rental payments due for office space under operating leases are as follows:

2020	$ 737,869
2021	428,710
2022	171,864
	$ 1,338,443

Lease expense was $789,135 in 2019 and $775,906 in 2018.

14. Concentration of Risk

The Association grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. Following is a summary of accounts receivable, by funding source:

	2019	2018
Medicare	**76 %**	66 %
Medicaid	**3**	2
Other	**21**	32
Total	**100 %**	100 %

15. Medical Malpractice Insurance

The Association maintains medical malpractice insurance coverage on a claims-made basis. The Association is subject to complaints, claims, and litigation due to potential claims which arise in the normal course of business. GAAP requires the Association to accrue the ultimate cost of malpractice claims when the incident that gives rise to the claim occurs, without consideration of insurance recoveries. Expected recoveries are presented as a separate asset. The Association has evaluated its exposure to losses arising from potential claims and determined no such accrual is necessary at September 30, 2019 and 2018. The Association intends to renew coverage on a claims-made basis and anticipates that such coverage will be available in future periods.

16. Subsequent Events

For financial reporting purposes, subsequent events have been evaluated by management through January 28, 2020, which is the date the consolidated financial statements were available to be issued.

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidating Balance Sheets

September 30, 2019

ASSETS

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Eliminations	Consolidated
Current assets								
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ 226,774	$ -	$ 226,774
Patient accounts receivable, net	288,068	1,183,589	487,191	804,270	-	-	-	2,763,118
Pledges receivable, net	-	-	-	-	-	148,758	-	148,758
Due from related parties	-	7,175,533	-	-	-	446,719	(7,622,252)	-
Prepaid expenses	143,317	7,818	5,270	11,861	-	3,198	-	171,464
Short-term investments	-	-	-	-	-	2,355,436	-	2,355,436
Total current assets	431,385	8,366,940	492,461	816,131	-	3,180,885	(7,622,252)	5,665,550
Noncurrent assets								
Long-term investments	-	-	-	-	-	20,371,521	-	20,371,521
Property and equipment, net	243,411	12,852	-	5,872	6,260	2,068,315	-	2,336,710
Goodwill	1,200,000	-	-	-	-	-	-	1,200,000
Other assets	18,354	18,470	-	12,300	-	14,419	-	63,543
Total noncurrent assets	1,461,765	31,322	-	18,172	6,260	22,454,255	-	23,971,774
Total assets	$ 1,893,150	$ 8,398,262	$ 492,461	$ 834,303	$ 6,260	$ 25,635,140	$ (7,622,252)	$ 29,637,324

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidating Balance Sheets

September 30, 2019

LIABILITIES AND NET ASSETS (DEFICIT)

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Eliminations	Consolidated
Current liabilities								
Line of credit	$ 911,864	$ -	$ -	$ -	$ -	$ -	$ -	$ 911,864
Current portion of lease payable	55,882	-	-	-	-	-	-	55,882
Accounts payable and accrued expenses	453,030	486,688	42,949	63,972	-	91,363	-	1,138,002
Accrued payroll and related expenses	1,172,007	214,343	72,237	252,565	-	27,243	-	1,738,395
Due to related parties	1,075,711	-	1,495,816	5,044,465	6,260	-	(7,622,252)	-
Total current liabilities	3,668,494	701,031	1,611,002	5,361,002	6,260	118,606	(7,622,252)	3,844,143
Lease payable, less current portion	9,421	-	-	-	-	-	-	9,421
Obligations under charitable gift annuities	-	-	-	-	-	670,616	-	670,616
Total liabilities	3,677,915	701,031	1,611,002	5,361,002	6,260	789,222	(7,622,252)	4,524,180
Net assets (deficit)								
Without donor restrictions	(1,784,765)	7,697,231	(1,118,541)	(4,526,699)	-	9,623,694	-	9,890,920
With donor restrictions	-	-	-	-	-	15,222,224	-	15,222,224
Total net assets (deficit)	(1,784,765)	7,697,231	(1,118,541)	(4,526,699)	-	24,845,918	-	25,113,144
Total liabilities and net assets (deficit)	$ 1,893,150	$ 8,398,262	$ 492,461	$ 834,303	$ 6,260	$ 25,635,140	$ (7,622,252)	$ 29,637,324

Schedule 2

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidating Balance Sheets

September 30, 2018

ASSETS

	Treasure Coast	Hospice	Space Coast	Indian River County	Foundation	Eliminations	Consolidated
Current assets							
Cash and cash equivalents	$ 1,120,176	$ -	$ -	$ -	$ -	$ -	$ 1,120,176
Patient accounts receivable, net	331,761	1,061,510	252,923	853,849	-	-	2,500,043
Pledges receivable, net	-	-	-	-	63,036	-	63,036
Due from related parties	-	6,039,896	-	-	1,429,685	(7,469,581)	-
Prepaid expenses	234,677	12,370	2,881	10,250	18,204	-	278,382
Total current assets	1,686,614	7,113,776	255,804	864,099	1,510,925	(7,469,581)	3,961,637
Noncurrent assets							
Long-term investments	-	-	-	-	21,029,257	-	21,029,257
Property and equipment, net	359,432	22,198	-	7,506	2,170,132	-	2,559,268
Goodwill	1,200,000	-	-	-	-	-	1,200,000
Other assets	19,357	18,470	-	12,300	14,419	-	64,546
Total noncurrent assets	1,578,789	40,668	-	19,806	23,213,808	-	24,853,071
Total assets	$ 3,265,403	$ 7,154,444	$ 255,804	$ 883,905	$ 24,724,733	$ (7,469,581)	$ 28,814,708

Schedule 2 (Concluded)

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidating Balance Sheets

September 30, 2018

LIABILITIES AND NET ASSETS (DEFICIT)

	Treasure Coast	Hospice	Space Coast	Indian River County	Foundation	Eliminations	Consolidated
Current liabilities							
Line of credit	$ 1,411,380	$ -	$ -	$ -	$ -	$ -	$ 1,411,380
Current portion of lease payable	55,882	-	-	-	-	-	55,882
Accounts payable and accrued expenses	321,424	620,433	54,979	145,987	67,019	-	1,209,842
Accrued payroll and related expenses	1,011,677	189,728	37,222	196,869	22,866	-	1,458,362
Due to related parties	2,018,445	-	791,178	4,659,958	-	(7,469,581)	-
Total current liabilities	4,818,808	810,161	883,379	5,002,814	89,885	(7,469,581)	4,135,466
Lease payable, less current portion	65,303	-	-	-	-	-	65,303
Obligations under charitable gift annuities	-	-	-	-	729,762	-	729,762
Total liabilities	4,884,111	810,161	883,379	5,002,814	819,647	(7,469,581)	4,930,531
Net assets (deficit)							
Without donor restrictions	(1,618,708)	6,344,283	(627,575)	(4,118,909)	9,345,673	-	9,324,764
With donor restrictions	-	-	-	-	14,559,413	-	14,559,413
Total net assets (deficit)	(1,618,708)	6,344,283	(627,575)	(4,118,909)	23,905,086	-	23,884,177
Total liabilities and net assets (deficit)	$ 3,265,403	$ 7,154,444	$ 255,804	$ 883,905	$ 24,724,733	$ (7,469,581)	$ 28,814,708

Schedule 3

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidating Statements of Operations

Year Ended September 30, 2019

	Treasure Coast	Hospice	Space Coast	Indian River County	Foundation	Eliminations	Consolidated
Operating revenue							
Patient service revenue	$ 4,060,558	$ 10,715,665	$ 4,023,749	$ 9,618,144	$ -	$ -	$ 28,418,116
Provision for bad debts	(51,050)	(75,010)	(44,842)	(67,122)	-	-	(238,024)
Net patient service revenue	4,009,508	10,640,655	3,978,907	9,551,022	-	-	28,180,092
Net assets released from restrictions for operations	-	-	-	-	1,657,118	-	1,657,118
Thrift shop and other operating (loss) revenue	(4,001)	948,061	-	3	-	-	944,063
Contributions	280,522	2,133,265	15,789	601,245	2,481,992	(3,232,374)	2,280,439
Management fees	6,895,392	-	-	-	-	(6,895,392)	-
Total operating revenue	11,181,421	13,721,981	3,994,696	10,152,270	4,139,110	(10,127,766)	33,061,712
Operating expenses							
Salaries and wages	7,753,351	5,786,875	2,810,353	7,065,175	364,278	-	23,780,032
Other operating expenses	3,380,407	6,573,055	1,676,688	3,493,415	454,524	(7,182,267)	8,395,822
Charity care expense	-	-	-	-	2,945,499	(2,945,499)	-
Depreciation and amortization	129,758	9,345	-	1,634	232,705	-	373,442
Interest expense	84,362	-	-	-	-	-	84,362
Total operating expenses	11,347,878	12,369,275	4,487,041	10,560,224	3,997,006	(10,127,766)	32,633,658
Operating (loss) income	(166,457)	1,352,706	(492,345)	(407,954)	142,104	-	428,054
Other revenue and gains (losses)							
Investment income, net of expenses	-	147	1,379	164	475,913	-	477,603
Realized gains on investments	-	-	-	-	343,805	-	343,805
Change in charitable gift annuities	-	-	-	-	(325,849)	-	(325,849)
Other non-operating revenue (expenses)	400	95	-	-	(12,879)	-	(12,384)
Other revenue and gains, net	400	242	1,379	164	480,990	-	483,175
(Deficit) excess of revenue over expenses	(166,057)	1,352,948	(490,966)	(407,790)	623,094	-	911,229
Change in unrealized losses on investments	-	-	-	-	(345,073)	-	(345,073)
Change in net assets without donor restrictions	$ (166,057)	$ 1,352,948	$ (490,966)	$ (407,790)	$ 278,021	$ -	$ 566,156

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidating Statements of Operations

Year Ended September 30, 2018

	Treasure Coast	Hospice	Space Coast	Indian River County	Foundation	Eliminations	Consolidated
Operating revenue							
Patient service revenue	$ 3,798,452	$ 10,034,624	$ 2,708,073	$ 9,023,069	$ -	$ -	$ 25,564,218
Provision for bad debts	(11,194)	79,261	(11,621)	(31,787)	-	-	24,659
Net patient service revenue	3,787,258	10,113,885	2,696,452	8,991,282	-	-	25,588,877
Net assets released from restrictions for operations	-	-	-	-	491,885	-	491,885
Thrift shop and other operating revenue (loss)	630	962,982	-	169	(1,219)	-	962,562
Contributions	1,246	1,563,102	14,522	595,789	3,680,271	(2,455,271)	3,399,659
Management fees	6,792,521	-	-	-	-	(6,792,521)	-
Total operating revenue	10,581,655	12,639,969	2,710,974	9,587,240	4,170,937	(9,247,792)	30,442,983
Operating expenses							
Salaries and wages	7,153,415	5,897,040	1,601,816	6,160,255	457,261	-	21,269,787
Other operating expenses	3,613,857	6,297,160	1,503,881	4,334,563	418,348	(7,060,929)	9,106,880
Charity care expense	-	-	-	-	2,186,863	(2,186,863)	-
Depreciation and amortization	122,961	28,400	118	1,634	217,159	-	370,272
Interest expense	54,337	-	-	-	-	-	54,337
Total operating expenses	10,944,570	12,222,600	3,105,815	10,496,452	3,279,631	(9,247,792)	30,801,276
Operating (loss) income	(362,915)	417,369	(394,841)	(909,212)	891,306	-	(358,293)
Other revenue and gains							
Investment income, net of expenses	2	291	1,321	531	185,159	-	187,304
Realized gains on investments	-	-	-	-	545,848	-	545,848
Change in charitable gift annuities	-	-	-	-	(72,516)	-	(72,516)
Other non-operating revenue	52	1,634	6	-	-	-	1,692
Other revenue and gains, net	54	1,925	1,327	531	658,491	-	662,328
(Deficit) excess of revenue over expenses	(362,861)	419,294	(393,514)	(908,681)	1,549,797	-	304,035
Change in unrealized gains on investments	-	-	-	-	22,768	-	22,768
Reclassification of net assets	-	-	-	-	428,337	-	428,337
Change in net assets without donor restrictions	$ (362,861)	$ 419,294	$ (393,514)	$ (908,681)	$ 2,000,902	$ -	$ 755,140

Schedule 5

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidating Statements of Changes in Net Assets (Deficit)
Year Ended September 30, 2019

	Treasure Coast	Hospice	Space Coast	Indian River County	Foundation	Consolidated
Net assets without donor restrictions						
(Deficit) excess of revenue over expenses	$ (166,057)	$ 1,352,948	$ (490,966)	$ (407,790)	$ 623,094	$ 911,229
Unrealized losses on investments	-	-	-	-	(345,073)	(345,073)
Change in net assets without donor restrictions	(166,057)	1,352,948	(490,966)	(407,790)	278,021	566,156
Net assets with donor restrictions						
Contributions	-	-	-	-	2,209,943	2,209,943
Investment income, net	-	-	-	-	143,711	143,711
Realized gains on investments	-	-	-	-	141,465	141,465
Unrealized losses on investments	-	-	-	-	(175,190)	(175,190)
Net assets released from restrictions for operations	-	-	-	-	(1,657,118)	(1,657,118)
Change in net assets with donor restrictions	-	-	-	-	662,811	662,811
Change in net assets	(166,057)	1,352,948	(490,966)	(407,790)	940,832	1,228,967
Net assets (deficit), beginning of year	(1,618,708)	6,344,283	(627,575)	(4,118,909)	23,905,086	23,884,177
Net assets (deficit), end of year	$ (1,784,765)	$ 7,697,231	$ (1,118,541)	$ (4,526,699)	$ 24,845,918	$ 25,113,144

VISITING NURSE ASSOCIATION OF THE TREASURE COAST, INC. AND AFFILIATES

Consolidating Statements of Changes in Net Assets (Deficit)

Year Ended September 30, 2018

	Treasure Coast	Hospice	Space Coast	Indian River County	Foundation	Consolidated
Net assets without donor restrictions						
(Deficit) excess of revenue over expenses	$ (362,861)	$ 419,294	$ (393,514)	$ (908,681)	$ 1,549,797	$ 304,035
Unrealized gains on investments	-	-	-	-	22,768	22,768
Reclassification of net assets	-	-	-	-	428,337	428,337
Change in net assets without donor restrictions	(362,861)	419,294	(393,514)	(908,681)	2,000,902	755,140
Net assets with donor restrictions						
Contributions	-	-	-	-	436,750	436,750
Investment income	-	-	-	-	138,192	138,192
Realized gains	-	-	-	-	285,222	285,222
Unrealized gains	-	-	-	-	46,665	46,665
Net assets released from restrictions for operations	-	-	-	-	(491,885)	(491,885)
Reclassification of net assets	-	-	-	-	(428,337)	(428,337)
Change in net assets with donor restrictions	-	-	-	-	(13,393)	(13,393)
Change in net assets	(362,861)	419,294	(393,514)	(908,681)	1,987,509	741,747
Net assets (deficit), beginning of year	(1,255,847)	5,924,989	(234,061)	(3,210,228)	21,917,577	23,142,430
Net assets (deficit), end of year	$ (1,618,708)	$ 6,344,283	$ (627,575)	$ (4,118,909)	$ 23,905,086	$ 23,884,177