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VISITING NURSE ASSOCIATION

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

September 30, 2022 and 2021

With Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

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, 2022 and 2021, 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.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Visiting Nurse Association of the Treasure Coast, Inc. and Affiliates as of September 30, 2022 and 2021, and the results of their operations, changes in their net assets and their cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Visiting Nurse Association of the Treasure Coast, Inc. and Affiliates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Visiting Nurse Association of the Treasure Coast, Inc. and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with U.S. generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Visiting Nurse Association of the Treasure Coast, Inc. and Affiliates' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Visiting Nurse Association of the Treasure Coast, Inc. and Affiliates' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the 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 (deficit) 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 a whole.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
January 24, 2023

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

Consolidated Balance Sheets

September 30, 2022 and 2021

ASSETS

	2022	2021
Current assets		
Cash and cash equivalents	**$ 546,273**	$ 4,400,900
Patient accounts receivable, net	**3,541,987**	3,262,700
Pledges receivable, net	**10,651**	84,183
Prepaid expenses	**258,135**	264,346
Other receivables	**78,636**	40,472
Short-term investments	**4,127,467**	4,608,414
Total current assets	**8,563,149**	12,661,015
Long-term investments	**17,587,339**	22,199,836
Property and equipment, net	**6,803,189**	6,120,613
Goodwill, net	**840,000**	960,000
Other assets	**72,928**	72,928
Total assets	**$ 33,866,605**	$ 42,014,392

LIABILITIES AND NET ASSETS

	2022	2021
Current liabilities		
Current portion of lease payable	**$ 93,172**	$ 76,837
Accounts payable and accrued expenses	**1,648,283**	1,409,410
Accrued payroll and related expenses	**1,520,055**	1,502,818
Total current liabilities	**3,261,510**	2,989,065
Lease payable, less current portion	**86,880**	129,315
Obligations under charitable gift annuities	**617,437**	626,388
Total liabilities	**3,965,827**	3,744,768
Net assets		
Without donor restrictions	**19,022,875**	24,625,926
With donor restrictions	**10,877,903**	13,643,698
Total net assets	**29,900,778**	38,269,624
Total liabilities and net assets	**$ 33,866,605**	$ 42,014,392

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, 2022 and 2021

	2022	2021
Operating revenue		
Net patient service revenue	**$ 30,693,058**	$ 31,220,702
Net assets released from restrictions for operations	**656,337**	2,293,255
COVID-19 relief funding and other operating revenue	**1,016,839**	6,857,753
Contributions	**2,474,427**	7,469,343
Total operating revenue	**34,840,661**	47,841,053
Operating expenses		
Salaries and benefits	**28,674,870**	27,977,767
Other operating expenses	**9,977,975**	9,663,430
Depreciation and amortization	**645,898**	449,058
Interest expense	**336**	33,666
Total operating expenses	**39,299,079**	38,123,921
Operating (loss) income	**(4,458,418)**	9,717,132
Other revenue (expenses) and gains (losses)		
Investment income, net of expenses	**105,316**	32,813
Change in fair value of investments	**(1,594,915)**	1,391,543
Change in charitable gift annuities and related expenses	**(24,497)**	(2,869)
Other non-operating revenue (expenses)	**17,060**	(45,786)
Other revenue (expenses) and gains (losses), net	**(1,497,036)**	1,375,701
(Deficit) excess of revenue over expenses and other revenue (expenses) and gains (losses)	**(5,955,454)**	11,092,833
Net assets released from restrictions for capital acquisition	**352,403**	1,868,795
Change in net assets without donor restrictions	**$ (5,603,051)**	$ 12,961,628

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, 2022 and 2021

	2022	2021
Net assets without donor restrictions		
(Deficit) excess of revenue over expenses and other revenue (expenses) and gains (losses)	**$ (5,955,454)**	$ 11,092,833
Net assets released from restrictions for capital acquisition	**352,403**	1,868,795
Change in net assets without donor restrictions	**(5,603,051)**	12,961,628
Net assets with donor restrictions		
Contributions	**288,371**	1,041,284
Investment income, net of expenses	**196,280**	154,468
Change in fair value of investments	**(2,241,706)**	1,735,874
Net assets released from restrictions for capital acquisition	**(352,403)**	(1,868,795)
Net assets released from restrictions for operations	**(656,337)**	(2,293,255)
Change in net assets with donor restrictions	**(2,765,795)**	(1,230,424)
Change in net assets	**(8,368,846)**	11,731,204
Net assets, beginning of year	**38,269,624**	26,538,420
Net assets, end of year	**$ 29,900,778**	$ 38,269,624

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, 2022 and 2021

	2022	2021
Cash flows from operating activities		
Change in net assets	**$ (8,368,846)**	$ 11,731,204
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation and amortization	**645,898**	449,058
Contribution of land associated with lease extension	**-**	(2,250,000)
Change in fair value of investments	**3,836,621**	(3,127,417)
Change in obligations under charitable gift annuities	**(8,951)**	7,383
Contributions for long-term purposes	**(179,980)**	(634,167)
(Increase) decrease in the following assets		
Patient accounts receivable	**(279,287)**	(473,837)
Pledges receivable	**73,532**	(2,068)
Prepaid expenses	**6,211**	24,154
Other receivables	**(38,164)**	9,910
Other assets	**-**	(9,825)
Increase (decrease) in the following liabilities		
Accounts payable and accrued expenses	**224,575**	19,072
Accrued payroll and related expenses	**17,237**	(633,287)
CARES Act funding advances	**-**	(5,885,032)
Net cash used by operating activities	**(4,071,154)**	(774,852)
Cash flows from investing activities		
Purchases of investments	**(6,854,094)**	(6,087,883)
Proceeds from the sale of investments	**8,110,917**	6,360,218
Purchases of property and equipment	**(1,194,176)**	(1,390,000)
Net cash provided (used) by investing activities	**62,647**	(1,117,665)
Cash flows from financing activities		
Contributions received with long-term donor restrictions	**179,980**	634,167
Principal payments on lease payable	**(26,100)**	(23,816)
Net cash provided by financing activities	**153,880**	610,351
Net decrease in cash and cash equivalents	**(3,854,627)**	(1,282,166)
Cash and cash equivalents, beginning of year	**4,400,900**	5,683,066
Cash and cash equivalents, end of year	**$ 546,273**	$ 4,400,900
Supplemental disclosure of cash flow information		
Interest paid	**$ 336**	$ 33,666
Property and equipment acquired under capital lease	**$ 63,775**	$ 150,641
Property and equipment in accounts payable	**$ 14,297**	$ 144,047
Additional land acquired under long term lease extension	**$ -**	$ 2,250,000

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), VNA Space Coast Private Care, Inc. (Space Coast Private Care) 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. Services provided by VNA-Treasure Coast include private duty and intermittent home healthcare services to patients, which are provided by skilled nursing care, home health aides, and companionship. In addition, VNA-Treasure Coast provides 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 include skilled nursing care, physical, speech and occupational therapy, medical social work services, home health aides and dietician.

Space Coast Private Care - provides private duty home health care services to private pay patients needing skilled and unskilled care. Services are provided through home health aides, certified nursing assistants, companions and nurse case managers.

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 supporters; enhancing collaborative relations with the Association and other community partners; assuring best practices in Foundation accountability and service. The Foundation's 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 (ASC) Topic 958, *Not-for-Profit Entities.* Under FASB ASC Topic 958 and FASB ASC Topic 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 Topic 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.

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 consolidated financial statements.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles (U.S. 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 amounts held in the investment portfolios which are invested for long-term purposes.

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.

Patient Accounts Receivable

Patient accounts receivable is stated at the amount management expects to collect from outstanding balances. Management provides a reserve for payment adjustments based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are applied against the reserve for payment adjustments.

Patient accounts receivable, net amounted to $3,541,987; $3,262,700; and $2,788,863 as of September 30, 2022, 2021, and 2020, respectively.

Investments

The Association reports investments at fair value, and has elected to report all gains and losses in the (deficit) excess of revenue over expenses and other revenue (expenses) and gains (losses) to simplify the presentation of these amounts in the consolidated statements of operations, unless otherwise stipulated by the donor or State law.

The value of the alternative investment reflects the net asset value (NAV) reported by the fund manager, unless information becomes available indicating the reported NAV may require adjustment. The Association monitors the valuation in methodologies and practices employed by the fund manager to arrive at NAV.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Consequently, 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 consolidated balance sheet.

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

In 2019, the Association adopted the accounting alternative for the subsequent measurement of goodwill provided in FASB ASC Topic 350-20, *Intangibles - Goodwill and Other*. Under this accounting alternative, the Association began amortizing goodwill of $1,200,000 on a straight-line basis over a 10 year useful life and only evaluates impairment at the reporting unit level when a triggering event occurs. During the year ended September 30, 2022, no triggering events occurred and thus, no impairment testing was performed and no impairment loss was recorded. The value of goodwill, net of accumulated amortization, was $840,000 and $960,000 at September 30, 2022 and 2021, respectively. Amortization expense was $120,000 for the years ended 2022 and 2021.

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 U.S. 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).

Net Patient Service Revenue

Services to all patients are recorded as revenue when services are rendered at the estimated 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 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.

Performance obligations are determined based on the nature of the services provided by the Association. Revenue for performance obligations satisfied over time is recognized based on actual services rendered. Generally, performance obligations satisfied over time relate to patients receiving skilled and non-skilled services in their home or facility. The Association measures the period over which the performance obligation is satisfied from admission to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge.

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. As the performance obligations for home health services are met, revenue is recognized based upon the portion of the transaction price allocated to the performance obligation. The transaction price is the prospective payment determined for the medically necessary services.

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. As the performance obligations for hospice services are met, revenue is recognized based upon the portion of the transaction price allocated to the performance obligation. The transaction price is the predetermined aggregate capitated rate per day.

Because all of the Association’s performance obligations relate to short-term periods of care, the Association has elected to apply the optional exemption provided in FASB ASC Subtopic 606-10-50-14 (a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Charitable Gift Annuity Program

The Association maintains a charitable gift annuity program. Under this program, the Association agrees to pay an 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.

COVID-19 and Relief Funding

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19) a global pandemic. In response to the global pandemic, The Centers for Medicare & Medicaid Services implemented certain relief measures and also issued guidance for limiting the spread of COVID-19.

Local, U.S., and world governments encouraged self-isolation to curtail the spread of COVID-19 by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group meetings. Many sectors are experiencing disruption to business operations and may feel further impacts related to delayed government reimbursement, volatility in investment returns, and reduced philanthropic support. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them.

The U.S. government has responded with several phases of relief legislation as a response to the COVID-19 outbreak. Legislation enacted into law on March 27, 2020, called the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), a statute to address the economic impact of the COVID-19 outbreak. The CARES Act, among other things, 1) authorizes emergency loans to distressed businesses by establishing, and providing funding for, forgivable bridge loans, 2) provides additional funding for grants and technical assistance, 3) delays due dates for employer payroll taxes and estimated tax payments for corporations, and 4) revises provisions of the Internal Revenue Code, including those related to losses, charitable deductions, and business interest.

CARES Act Provider Relief Funds

The Association received emergency federal grant funding under the CARES Act from the Provider Relief (PRF), which were funds to support healthcare providers in responding to the COVID-19 outbreak.

The PRF was administered by the U.S. Department of Health and Human Services. These funds were used for qualifying expenses and to cover lost revenue due to COVID-19. The PRF were considered conditional contributions and were recognized as revenue when qualifying expenditures or lost revenues were incurred. The following table outlines the distributions received, period of availability, and revenue recognized during the year ended September 30, 2021. There were no PRF funds received or recognized in 2022.

Distribution Period	Distribution Amount	Funds Available for Use Through	**Revenue Recognized in 2022**	Revenue Recognized in 2021
Period 1 (4/1/2020 to 6/30/2020)	$ 1,304,460	6/30/2021	**$ -**	$ 1,304,460

CARES Act Paycheck Protection Program

On April 27, 2020, the Association received a loan from the U.S. Small Business Administration (SBA) under the CARES Act under the Paycheck Protection Program (PPP) in the amount of $4,580,572. The loan proceeds were to be used for payroll and other allowable costs authorized in the PPP rules, and forgiveness of the loan balances was dependent upon compliance with this and other terms and conditions of the CARES Act. The Association received notification of forgiveness from the SBA on June 28, 2021. The Association followed the conditional contribution model to account for the PPP loan and, accordingly, recorded the forgiveness of the loan as COVID-19 relief funding and other operating revenue on the consolidated statement of operations for the year ended September 30, 2021. Due to the complexity of the reporting requirements, there is a possibility that the SBA may perform further scrutiny over the forgiveness applications in the future. Management believes the position taken is a reasonable interpretation of the rules, subject to any further clarification.

2. Availability and Liquidity of Financial Assets

As of September 30, 2022, the Association has working capital of $5,301,639 and average days (based on normal expenditures) cash and liquid investments on hand of 36, which includes cash and short-term 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:

	2022	2021
Cash and cash equivalents	**$ 546,273**	$ 4,400,900
Patient accounts receivable, net	**3,541,987**	3,262,700
Pledges receivable, net	**10,651**	84,183
Other receivables	**78,636**	40,472
Portion of expected endowment draw available for operations	**408,058**	488,899
Investments without donor restrictions for current use (Note 3)	**3,233,557**	4,143,212
Total financial assets	**7,819,162**	12,420,366
Less: Restricted cash	**-**	(702,380)
Financial assets available to meet cash needs for general expenditures within one year	**$ 7,819,162**	$11,717,986

The Association has certain 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 investments for restricted use or designated by the Board of Directors, which are more fully described in Notes 3 and 5, 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:

	2022	2021
Cash and cash equivalents	**$ 5,536,977**	$ 5,239,285
Government agencies	**2,545,164**	2,538,496
Corporate bonds	**2,435,197**	2,992,713
Equities	**11,045,898**	15,625,545
Real estate funds	**151,570**	412,211
Total investments	**$ 21,714,806**	$ 26,808,250
Endowment - board designated	**$ 3,188,371**	$ 3,298,753
Endowment - unappropriated spending	**1,773,756**	4,308,379
Endowment - Hospice House in perpetuity	**8,210,237**	8,167,737
Without donor restrictions for current use	**3,233,557**	4,143,212
Without donor restrictions for long-term growth	**2,995,580**	4,629,647
With donor restrictions for current use	**893,910**	465,202
Charitable gift annuities	**1,419,395**	1,795,320
Total investments	**$ 21,714,806**	$ 26,808,250

4. Fair Value Measurement

FASB ASC Topic 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 FASB 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 Association did not have any level 3 investments as of September 30, 2022 or 2021.

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

2022	**Total**	**Level 1**	**Level 2**
Cash and cash equivalents	**$ 5,536,977**	**$ 5,536,977**	**$ -**
Government agencies	**2,545,164**	**-**	**2,545,164**
Corporate bonds	**2,435,197**	**-**	**2,435,197**
Equities	**11,045,898**	**11,045,898**	**-**
	21,563,236	**$ 16,582,875**	**$ 4,980,361**
Investments measured at NAV	**151,570**		
Total investments	**$ 21,714,806**		

2021	Total	Level 1	Level 2
Cash and cash equivalents	$ 5,239,285	$ 5,239,285	$ -
Government agencies	2,538,496	-	2,538,496
Corporate bonds	2,992,713	-	2,992,713
Equities	15,625,545	15,625,545	-
	26,396,039	$ 20,864,830	$ 5,531,209
Investments measured at NAV	412,211		
Total investments	$ 26,808,250		

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 Association's investment in real estate funds are valued at the NAV of the Association's units, as reported by the Fund's manager. The NAV is based on the fair value of the underlying investments held by the Fund less its liabilities.

5. Endowment

In accordance with 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. Distributions related to the board-designated endowment are determined annually and considered discretionary.

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 or UPMIFA requires the Association to retain as a fund of perpetual duration. The Board's policy does not permit spending from funds with deficiencies. There were no deficiencies of this nature as of September 30, 2022 and 2021.

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 and changes therein are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, September 30, 2020	$ 2,318,380	$ 10,523,213	$ 12,841,593
Contributions	564,484	490,167	1,054,651
Investment income, net of expenses	33,457	151,862	185,319
Net appreciation in fair value of investments	382,432	1,735,874	2,118,306
Spending policy appropriation	-	(425,000)	(425,000)
Balance, September 30, 2021	3,298,753	12,476,116	15,774,869
Contributions	**430,518**	**42,500**	**473,018**
Investment income, net of expenses	**51,819**	**195,982**	**247,801**
Net depreciation in fair value of investments	**(592,719)**	**(2,241,706)**	**(2,834,425)**
Spending policy appropriation	**-**	**(488,899)**	**(488,899)**
Balance, September 30, 2022	**$ 3,188,371**	**$ 9,983,993**	**$ 13,172,364**

Net assets with donor restrictions consist of the following:

	2022	2021
Specific purpose		
Hospice house operations	**$ -**	$ 275,197
Home health and hospice	**542,591**	564,773
Hospice funds	**205,526**	209,157
New campus building project	**77,801**	27,502
Other	**67,992**	90,953
Total specific purpose	**893,910**	1,167,582
Subject to the Association's spending policy and appropriation		
Unappropriated spending	**1,773,756**	4,308,379
Donor restricted endowment funds for Hospice House in perpetuity	**8,210,237**	8,167,737
Total donor restricted endowment	**9,983,993**	12,476,116
Total net assets with donor restrictions	**$ 10,877,903**	$ 13,643,698

6. Property and Equipment

Property and equipment consists of the following:

	2022	2021
Equipment, furniture and fixtures	**$ 4,268,490**	$ 4,039,590
Building and improvements	**2,198,143**	2,198,143
Leasehold improvements	**2,690,380**	2,388,433
Land and improvements	**3,429,139**	3,429,139
Vehicles	**294,375**	294,375
Construction in progress	**702,820**	25,193
Total cost	**13,583,347**	12,374,873
Less accumulated depreciation	**6,780,158**	6,254,260
Property and equipment, net	**$ 6,803,189**	$ 6,120,613

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. On November 24, 2020, the Association executed an addendum to the land lease agreement with the Hospital District. The addendum added ten acres to the previously leased land at the same price of $1 per year. In addition, the Association has the option to renew the lease for four additional ten-year terms upon expiration of the initial term on December 31, 2026. In the event that all of the options are exercised, the lease shall terminate on December 31, 2066. These consolidated financial statements reflect the fair value of this land use right, as determined by an independent appraisal, of $3,300,000 at September 30, 2022 and 2021 included in land and improvements. The Association has recognized the $2,250,000 increase in land use right as contributions in the consolidated statement of operations for the year ended September 30, 2021.

7. Line of Credit

The Association has a $4,000,000 revolving line of credit with a local bank that is renewed annually. The line bears interest at a rate that is the prime rate at the lesser of 1% or the published by the Wall Street Journal minus 1%, which was 5.25% at September 30, 2022. There was no balance outstanding as of September 30, 2022. There was no interest expense related to the line of credit for the years ended September 30, 2022 and 2021.

8. Charitable Gift Annuities

The Association has a Charitable Gift Annuity (CGA) Program 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 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 $50,000 in 2022 and 2021. The annuity liability for the future cash flows expected to be paid to the annuitants was $617,437 and $626,388 at September 30, 2022 and 2021, respectively.

9. 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, 2022 and 2021. 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 $239,335 in 2022 and $255,933 in 2021.

10. Net Patient Service Revenue

Net patient service revenue is as follows:

	2022	2021
Medicare	**$ 24,939,025**	$ 23,956,498
Medicaid	**624,232**	718,262
Other third-party payers and private pay	**5,129,801**	6,545,942
Total	**$ 30,693,058**	$ 31,220,702

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.

The Association estimates the costs associated with providing the other health-related activities by applying Medicare cost report methodology to determine program costs less any net patient revenue generated by the program.

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 $529,220 in 2022 and $580,533 in 2021.

In assessing collectability, the Association has elected the portfolio approach. This portfolio approach is being used as the Association has similar contracts with similar classes of patients. The Association reasonably expects that the effect of applying a portfolio approach to a group of contracts would not differ materially from considering each contract separately. Management's judgment to group the contracts by portfolio is based on the payment behavior expected in each portfolio category. As a result, management believes aggregating contracts (which are at the patient level) by the particular payer or group of payers results in the recognition of revenue approximating that which would result from applying the analysis at the individual patient level.

The Association has established payment terms for self-pay patients in the Private Care programs which requires a signed financial agreement outlining payment terms prior to services starting. Charges for services are billed every two weeks, with the full amount due upon receipt of invoice. If payment is not received after fourteen days, a past due final notice is mailed.

11. Functional Expenses

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

	2022	2021
Program services		
Salaries and benefits	**$ 18,454,638**	$ 18,483,670
Contract services	**1,392,178**	672,301
Program supplies	**2,549,511**	2,442,046
Telephone	**267,380**	276,254
Transportation	**337,751**	344,805
Other operating expenses	**1,843,137**	1,999,492
Depreciation and amortization	**101,218**	101,223
Interest	**336**	14,434
Total program services	**24,946,149**	24,334,225
Administrative and general		
Salaries and benefits	**9,942,176**	9,163,576
Contract services	**666,652**	682,752
Program supplies	**400,689**	389,729
Transportation	**95,367**	106,168
Other operating expenses	**2,157,212**	2,509,738
Depreciation and amortization	**482,009**	272,223
Interest	**-**	19,232
Total administrative and general	**13,744,105**	13,143,418
Fundraising		
Salaries and benefits	**278,056**	330,521
Contract services	**61,802**	51,871
Transportation	**855**	218
Other operating expenses	**205,441**	188,056
Depreciation and amortization	**62,671**	75,612
Total fundraising	**608,825**	646,278
Total	**$ 39,299,079**	$ 38,123,921

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

12. Commitments

Capital Leases

Maturities of capital lease obligations are as follows:

2023	$ 93,172
2024	75,695
2025	17,043
	$ 185,910

Operating Leases

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:

2023	$ 1,078,184
2024	1,278,164
2025	1,157,369
2026	961,981
2027	733,846
Thereafter	1,074,809
	$ 6,284,353

Lease expense was $734,301 in 2022 and $718,768 in 2021.

In August 2022, the Association entered into two new lease agreements for additional thrift store retail space and a new office building. Both leases are set to commence once necessary renovations have occurred, which is anticipated to be February 2023.

13. 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:

	2022	2021
Medicare	**84 %**	83 %
Medicaid	**1**	1
Other	**15**	16
Total	**100 %**	100 %

14. 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. U.S. 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, 2022 and 2021. The Association intends to renew coverage on a claims-made basis and anticipates that such coverage will be available in future periods.

15. Subsequent Events

For financial reporting purposes, subsequent events have been evaluated by management through January 24, 2023, which is the date the consolidated financial statements were available to be issued.

Schedule 1

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

Consolidating Balance Sheets

September 30, 2022

ASSETS

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Eliminations	Consolidated
Current assets								
Cash and cash equivalents	$ 166,838	$ -	$ -	$ -	$ -	$ 379,435	$ -	$ 546,273
Patient accounts receivable, net	246,947	1,347,331	478,843	1,416,215	52,651	-	-	3,541,987
Pledges receivable, net	-	-	-	-	-	10,651	-	10,651
Due from related parties	2,772,748	11,346,029	-	-	-	-	(14,118,777)	-
Prepaid expenses	190,680	12,445	23,837	16,639	3,469	11,065	-	258,135
Other receivables	44,599	34,037	-	-	-	-	-	78,636
Short-term investments	-	-	-	-	-	4,127,467	-	4,127,467
Total current assets	3,421,812	12,739,842	502,680	1,432,854	56,120	4,528,618	(14,118,777)	8,563,149
Noncurrent assets								
Long-term investments	-	-	-	-	-	17,587,339	-	17,587,339
Property and equipment, net	278,568	24,471	9,377	1,122	2,645	6,487,006	-	6,803,189
Goodwill, net	840,000	-	-	-	-	-	-	840,000
Other assets	20,680	18,470	8,458	12,300	-	13,020	-	72,928
Total noncurrent assets	1,139,248	42,941	17,835	13,422	2,645	24,087,365	-	25,303,456
Total assets	$ 4,561,060	$ 12,782,783	$ 520,515	$ 1,446,276	$ 58,765	$ 28,615,983	$ (14,118,777)	$ 33,866,605

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

Consolidating Balance Sheets

September 30, 2022

LIABILITIES AND NET ASSETS (DEFICIT)

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Eliminations	Consolidated
Current liabilities								
Current portion of lease payable	$ 93,172	$ -	$ -	$ -	$ -	$ -	$ -	$ 93,172
Accounts payable and accrued expenses	292,142	1,158,822	48,574	81,706	(1,263)	68,302	-	1,648,283
Accrued payroll and related expenses	677,839	364,818	127,007	305,823	14,193	30,375	-	1,520,055
Due to related parties	-	-	3,393,881	10,244,575	392,409	87,912	(14,118,777)	-
Total current liabilities	1,063,153	1,523,640	3,569,462	10,632,104	405,339	186,589	(14,118,777)	3,261,510
Lease payable, less current portion	86,880	-	-	-	-	-	-	86,880
Obligations under charitable gift annuities	-	-	-	-	-	617,437	-	617,437
Total liabilities	1,150,033	1,523,640	3,569,462	10,632,104	405,339	804,026	(14,118,777)	3,965,827
Net assets (deficit)								
Without donor restrictions	3,411,027	11,259,143	(3,048,947)	(9,185,828)	(346,574)	16,934,054	-	19,022,875
With donor restrictions	-	-	-	-	-	10,877,903	-	10,877,903
Total net assets (deficit)	3,411,027	11,259,143	(3,048,947)	(9,185,828)	(346,574)	27,811,957	-	29,900,778
Total liabilities and net assets (deficit)	$ 4,561,060	$ 12,782,783	$ 520,515	$ 1,446,276	$ 58,765	$ 28,615,983	$ (14,118,777)	$ 33,866,605

Schedule 2

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

Consolidating Balance Sheets

September 30, 2021

ASSETS

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Eliminations	Consolidated
Current assets								
Cash and cash equivalents	$ 3,424,163	$ -	$ -	$ -	$ -	$ 976,737	$ -	$ 4,400,900
Patient accounts receivable, net	247,397	1,214,723	521,927	1,236,373	42,280	-	-	3,262,700
Pledges receivable, net	-	-	-	-	-	84,183	-	84,183
Due from related parties	36,821	10,748,048	-	-	-	214,060	(10,998,929)	-
Prepaid expenses	206,512	5,220	11,698	10,836	1,681	28,399	-	264,346
Other receivables	31,452	9,020	-	-	-	-	-	40,472
Short-term investments	-	-	-	-	-	4,608,414	-	4,608,414
Total current assets	3,946,345	11,977,011	533,625	1,247,209	43,961	5,911,793	(10,998,929)	12,661,015
Noncurrent assets								
Long-term investments	-	-	-	-	-	22,199,836	-	22,199,836
Property and equipment, net	334,774	38,901	12,888	2,605	3,335	5,728,110	-	6,120,613
Goodwill	960,000	-	-	-	-	-	-	960,000
Other assets	20,680	18,470	8,458	12,300	-	13,020	-	72,928
Total noncurrent assets	1,315,454	57,371	21,346	14,905	3,335	27,940,966	-	29,353,377
Total assets	$ 5,261,799	$ 12,034,382	$ 554,971	$ 1,262,114	$ 47,296	$ 33,852,759	$ (10,998,929)	$ 42,014,392

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

Consolidating Balance Sheets

September 30, 2021

LIABILITIES AND NET ASSETS (DEFICIT)

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Eliminations	Consolidated
Current liabilities								
Current portion of lease payable	$ 76,837	$ -	$ -	$ -	$ -	$ -	$ -	$ 76,837
Accounts payable and accrued expenses	410,311	809,452	42,501	88,474	(1,062)	59,734	-	1,409,410
Accrued payroll and related expenses	704,677	290,778	116,364	360,651	11,081	19,267	-	1,502,818
Due to related parties	-	-	2,721,984	8,121,200	155,745	-	(10,998,929)	-
Total current liabilities	1,191,825	1,100,230	2,880,849	8,570,325	165,764	79,001	(10,998,929)	2,989,065
Lease payable, less current portion	129,315	-	-	-	-	-	-	129,315
Obligations under charitable gift annuities	-	-	-	-	-	626,388	-	626,388
Total liabilities	1,321,140	1,100,230	2,880,849	8,570,325	165,764	705,389	(10,998,929)	3,744,768
Net assets (deficit)								
Without donor restrictions	3,940,659	10,934,152	(2,325,878)	(7,308,211)	(118,468)	19,503,672	-	24,625,926
With donor restrictions	-	-	-	-	-	13,643,698	-	13,643,698
Total net assets (deficit)	3,940,659	10,934,152	(2,325,878)	(7,308,211)	(118,468)	33,147,370	-	38,269,624
Total liabilities and net assets (deficit)	$ 5,261,799	$ 12,034,382	$ 554,971	$ 1,262,114	$ 47,296	$ 33,852,759	$ (10,998,929)	$ 42,014,392

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

Consolidating Statements of Operations

Year Ended September 30, 2022

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Eliminations	Consolidated
Operating revenue								
Net patient service revenue	$ 3,750,479	$ 13,178,158	$ 3,731,091	$ 9,583,682	$ 449,648	$ -	$ -	$ 30,693,058
Net assets released from restrictions for operations	-	-	-	-	-	656,337	-	656,337
COVID-19 relief funding and other operating revenue	34,463	982,376	-	-	-	-	-	1,016,839
Contributions	193,187	2,846,847	5,377	464,279	-	2,631,795	(3,667,058)	2,474,427
Management fees	9,986,282	-	-	-	-	-	(9,986,282)	-
Total operating revenue	13,964,411	17,007,381	3,736,468	10,047,961	449,648	3,288,132	(13,653,340)	34,840,661
Operating expenses								
Salaries and wages	10,173,077	7,177,883	2,707,700	7,632,054	468,411	515,745	-	28,674,870
Other operating expenses	4,061,820	9,482,950	1,748,810	4,292,164	225,917	448,164	(10,281,850)	9,977,975
Charity care expense	-	-	-	-	-	3,371,490	(3,371,490)	-
Depreciation and amortization	258,590	21,711	3,511	1,483	690	359,913	-	645,898
Interest expense	1,136	-	-	-	-	-	(800)	336
Total operating expenses	14,494,623	16,682,544	4,460,021	11,925,701	695,018	4,695,312	(13,654,140)	39,299,079
Operating (loss) income	(530,212)	324,837	(723,553)	(1,877,740)	(245,370)	(1,407,180)	800	(4,458,418)
Other revenue (expenses) and gains (losses)								
Investment income, net of expenses	-	154	484	123	-	105,355	(800)	105,316
Change in fair value of investments	-	-	-	-	-	(1,594,915)	-	(1,594,915)
Change in charitable gift annuities and related expenses	-	-	-	-	-	(24,497)	-	(24,497)
Other non-operating revenue (expenses)	580	-	-	-	17,264	(784)	-	17,060
Other revenue (expenses) and gains (losses), net	580	154	484	123	17,264	(1,514,841)	(800)	(1,497,036)
(Deficit) excess of revenue over expenses and other revenue (expenses) and gains (losses)	(529,632)	324,991	(723,069)	(1,877,617)	(228,106)	(2,922,021)	-	(5,955,454)
Net assets released from restrictions for capital acquisition	-	-	-	-	-	352,403	-	352,403
Change in net assets without donor restrictions	$ (529,632)	$ 324,991	$ (723,069)	$ (1,877,617)	$ (228,106)	$ (2,569,618)	$ -	$ (5,603,051)

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

Consolidating Statements of Operations

Year Ended September 30, 2021

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Eliminations	Consolidated
Operating revenue								
Net patient service revenue	$ 4,465,649	$ 11,892,733	$ 3,858,819	$ 10,524,850	$ 478,651	$ -	$ -	$ 31,220,702
Net assets released from restrictions for operations	-	-	-	-	-	2,293,255	-	2,293,255
COVID-19 relief funding and other operating revenue	5,939,925	917,828	-	-	-	-	-	6,857,753
Contributions	223,510	2,520,002	4,380	530,870	-	7,594,970	(3,404,389)	7,469,343
Management fees	8,851,621	-	-	-	-	-	(8,851,621)	-
Total operating revenue	19,480,705	15,330,563	3,863,199	11,055,720	478,651	9,888,225	(12,256,010)	47,841,053
Operating expenses								
Salaries and wages	9,165,183	6,310,916	2,980,616	8,498,567	516,923	505,562	-	27,977,767
Other operating expenses	4,201,881	7,548,807	1,604,612	4,531,156	22,889	898,347	(9,144,262)	9,663,430
Charity care expense	-	-	-	-	-	3,111,748	(3,111,748)	-
Depreciation and amortization	228,654	21,869	1,787	1,634	115	194,999	-	449,058
Interest expense	41,777	-	-	-	-	-	(8,111)	33,666
Total operating expenses	13,637,495	13,881,592	4,587,015	13,031,357	539,927	4,710,656	(12,264,121)	38,123,921
Operating income (loss)	5,843,210	1,448,971	(723,816)	(1,975,637)	(61,276)	5,177,569	8,111	9,717,132
Other revenue (expenses) and gains (losses)								
Investment income, net of expenses	-	348	54	(27)	-	40,549	(8,111)	32,813
Change in fair value of investments	-	-	-	-	-	1,391,543	-	1,391,543
Change in charitable gift annuities and related expenses	-	-	-	-	-	(2,869)	-	(2,869)
Other non-operating revenue (expenses)	700	-	-	-	-	(46,486)	-	(45,786)
Other revenue (expenses) and gains (losses), net	700	348	54	(27)	-	1,382,737	(8,111)	1,375,701
Excess (deficit) of revenue over expenses and other revenue (expenses) and gains (losses)	5,843,910	1,449,319	(723,762)	(1,975,664)	(61,276)	6,560,306	-	11,092,833
Net assets released from restrictions for capital acquisition	-	-	-	-	-	1,868,795	-	1,868,795
Change in net assets without donor restrictions	$ 5,843,910	$ 1,449,319	$ (723,762)	$ (1,975,664)	$ (61,276)	$ 8,429,101	$ -	$ 12,961,628

Schedule 5

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

Consolidating Statements of Changes in Net Assets (Deficit)

Year Ended September 30, 2022

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Consolidated
Net assets without donor restrictions							
(Deficit) excess of revenue over expenses and other revenue (expenses) and gains (losses)	$ (529,632)	$ 324,991	$ (723,069)	$ (1,877,617)	$ (228,106)	$ (2,922,021)	$ (5,955,454)
Net assets released from restrictions for capital acquisition	-	-	-	-	-	352,403	352,403
Change in net assets without donor restrictions	(529,632)	324,991	(723,069)	(1,877,617)	(228,106)	(2,569,618)	(5,603,051)
Net assets with donor restrictions							
Contributions	-	-	-	-	-	288,371	288,371
Investment income, net of expenses	-	-	-	-	-	196,280	196,280
Change in fair value of investments	-	-	-	-	-	(2,241,706)	(2,241,706)
Net assets released from restrictions for capital acquisition	-	-	-	-	-	(352,403)	(352,403)
Net assets released from restrictions for operations	-	-	-	-	-	(656,337)	(656,337)
Change in net assets with donor restrictions	-	-	-	-	-	(2,765,795)	(2,765,795)
Change in net assets (deficit)	(529,632)	324,991	(723,069)	(1,877,617)	(228,106)	(5,335,413)	(8,368,846)
Net assets (deficit), beginning of year	3,940,659	10,934,152	(2,325,878)	(7,308,211)	(118,468)	33,147,370	38,269,624
Net assets (deficit), end of year	$ 3,411,027	$ 11,259,143	$ (3,048,947)	$ (9,185,828)	$ (346,574)	$ 27,811,957	$ 29,900,778

Schedule 6

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

Consolidating Statements of Changes in Net Assets (Deficit)

Year Ended September 30, 2021

	Treasure Coast	Hospice	Space Coast	Indian River County	Space Coast Private Care	Foundation	Consolidated
Net assets without donor restrictions							
Excess (deficit) of revenue over expenses and other revenue (expenses) and gains (losses)	$ 5,843,910	$ 1,449,319	$ (723,762)	$ (1,975,664)	$ (61,276)	$ 6,560,306	$ 11,092,833
Net assets released from restrictions for capital acquisition	-	-	-	-	-	1,868,795	1,868,795
Change in net assets without donor restrictions	5,843,910	1,449,319	(723,762)	(1,975,664)	(61,276)	8,429,101	12,961,628
Net assets with donor restrictions							
Contributions	-	-	-	-	-	1,041,284	1,041,284
Investment income, net of expenses	-	-	-	-	-	154,468	154,468
Change in fair value of investments	-	-	-	-	-	1,735,874	1,735,874
Net assets released from restrictions for capital acquisition	-	-	-	-	-	(1,868,795)	(1,868,795)
Net assets released from restrictions for operations	-	-	-	-	-	(2,293,255)	(2,293,255)
Change in net assets with donor restrictions	-	-	-	-	-	(1,230,424)	(1,230,424)
Change in net assets (deficit)	5,843,910	1,449,319	(723,762)	(1,975,664)	(61,276)	7,198,677	11,731,204
Net assets (deficit), beginning of year	(1,903,251)	9,484,833	(1,602,116)	(5,332,547)	(57,192)	25,948,693	26,538,420
Net assets (deficit), end of year	$ 3,940,659	$ 10,934,152	$ (2,325,878)	$ (7,308,211)	$ (118,468)	$ 33,147,370	$ 38,269,624