

AORN, INC. AND SUBSIDIARIES

Combined Statements of Financial Position (Audited)

	December 31,	
	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 9,738,940	\$ 6,562,776
Accounts receivable, net of allowance for doubtful accounts of \$148,941 (2022) and \$148,941 (2021)	3,447,325	3,711,416
Promises to give - current portion	480,900	224,045
Inventory	43,263	127,147
Prepaid expenses and deposits	2,886,967	2,075,205
Total current assets	16,597,395	12,700,589
Property and equipment, net	920,157	4,124,081
Right-of-use operating lease assets	3,397,307	-
Work in progress	1,048,925	194,415
Long-term prepaid expense, deposits and other	58,991	235,736
Investments	25,510,815	22,384,456
Promises to give - non-current portion	10,000	10,000
Intangible Assets	368,468	1,372,801
Goodwill, Net	3,095,404	3,095,404
Total Assets	\$ 51,007,462	\$ 44,117,482
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 3,547,498	\$ 3,214,554
Scholarships payable	204,937	154,085
Operating lease liabilities (current portion)	754,868	-
Total current liabilities before deferred income	4,507,303	3,368,639
Deferred income	11,172,285	11,615,423
Total current liabilities	15,679,588	14,984,062
Non-current Liabilities		
Operating lease liabilities (non-current portion)	2,666,202	-
Other long-term obligations	14,083	23,434
Total liabilities	18,359,873	15,007,496
Net assets		
Without donor restriction	29,594,543	26,188,809
With donor restrictions	3,053,046	2,921,177
Total net assets	32,647,589	29,109,986
Total liabilities and net assets	\$ 51,007,462	\$ 44,117,482

AORN, INC. AND SUBSIDIARIES

Combined Statements of Activities (Audited)

	For the Years Ended	
	December 31,	
	2022	2021
Revenue		
Membership	\$ 3,952,422	\$ 4,298,111
Syntegrity	2,373,518	2,237,095
Annual Surgical Conference & Expo, includes Pfiedler	7,940,774	1,187,920
Education products, includes Pfiedler	14,287,534	10,050,385
Books	3,130,710	2,766,154
Leasing	119,885	367,134
Periodicals	1,270,112	1,359,997
Market Research	300,000	235,950
Center for Nursing Leadership	4,078	38,178
Outpatient surgery division	2,794,630	3,448,630
Contributions, sponsorships and special events, net	2,214,517	1,491,525
Other		
Grant Income - PPP Loans	-	5,207,849
Grant Income - Employee Retention Credit	-	2,133,581
Total revenue	38,388,180	34,822,509
Expense		
Membership	2,948,347	2,568,829
Syntegrity	1,034,122	874,521
Annual Surgical Conference & Expo , includes Pfiedler	4,215,668	2,575,592
Education products, includes Pfiedler	5,572,097	4,216,716
Books	2,506,957	2,251,437
Leasing	190,606	496,039
Periodicals	1,161,139	974,232
Market Research	366,723	121,128
Center for Nursing Leadership	340,530	294,411
Education grants and scholarships (Foundation)	892,796	637,043
Outpatient surgery division	2,867,318	2,893,560
Fundraising (Foundation)	174,375	161,242
General and administrative	14,687,489	13,085,979
Total expenses	36,958,167	31,150,729
Change in net assets from operations	1,430,013	3,671,780
Non-operating income		
Investment income net	(1,900,822)	1,458,023
Loss on asset disposal	5,165,335	(173,892)
Total non-operating income	3,264,513	1,284,131
Change in net assets before income taxed	4,694,526	4,955,911
Impairment of intangible assets	(889,933)	
Income tax benefit	(266,990)	(209,169)
Change in net assets	3,537,603	4,746,742
Net assets - beginning of year	29,109,986	24,363,244
Net assets - end of year	\$ 32,647,589	\$ 29,109,986

AORN INC. AND SUBSIDIARIES

Combined Statements of Cash Flows (Audited)

	For the Years Ended	
	December 31,	
	2022	2021
Cash flows from operating activities		
Increase in net assets	\$ 3,537,603	\$ 4,746,742
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	790,599	1,248,431
Provision for doubtful accounts	29,990	16,414
Investment return	2,499,229	(510,239)
Contributions restricted for endowments	(141,357)	(181,074)
(Gain) Loss on sale of fixed assets	(5,165,335)	173,892
Impairment of intangible assets	889,933	-
Non-cash lease expense	23,763	
Change in assets and liabilities		
Accounts receivable, promises to give and income taxes	(22,754)	(433,590)
Inventory, prepaid expenses and deposits	(551,133)	(910,159)
Accounts payable, accrued liabilities, scholarships payable and long-term liabilities	374,445	270,524
Deferred income	(443,138)	1,954,860
Net Cash provided by operating activities	1,821,845	6,375,801
Cash flows from investing activities		
Purchase of property and equipment	(1,253,104)	(390,849)
Net proceeds from disposition of property and equipment	8,091,654	345,918
Purchases of investments	(5,715,131)	(8,178,325)
Sales of investments	89,546	-
Net cash (used in) investing activities	1,212,965	(8,223,256)
Cash flows from financing activities		
Contributions restricted for endowments	141,357	181,074
Net Cash provided by financing activities of continuing operations	141,357	181,074
Net (decrease) increase in cash and cash equivalents	3,176,167	(1,666,381)
Cash and cash equivalents - beginning of year	6,562,776	8,229,157
Cash and cash equivalents - end of year	\$ 9,738,943	\$ 6,562,776