

AORN, INC. AND SUBSIDIARIES

Combined Statements of Financial Position (Audited)

	December 31,	
	2023	2022
Assets		
Current assets		
Cash and cash equivalents	\$ 4,477,728	\$ 9,738,940
Short-term investments	\$ 17,664,331	-
Accounts receivable, net of allowance for doubtful accounts of \$194,414 (2023) and \$194,414 (2022)	3,515,682	3,457,325
Promises to give - current portion	344,000	470,900
Inventory	25,821	43,263
Prepaid expenses and deposits	2,869,093	2,886,967
Total current assets	28,896,655	16,597,395
Property and equipment, net	2,372,405	920,157
Right-of-use operating lease assets	2,426,711	3,397,307
Work in progress	101,022	1,048,925
Long-term prepaid expense, deposits and other Investments	171,099	58,991
	20,768,796	25,510,815
Promises to give - non-current portion	10,000	10,000
Intangible Assets	145,333	368,468
Goodwill, Net	3,095,404	3,095,404
Total Assets	\$ 57,987,425	\$ 51,007,462
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 4,202,784	\$ 3,547,498
Scholarships payable	123,835	204,937
Operating lease liabilities (current portion)	722,586	754,868
Total current liabilities before deferred income	5,049,205	4,507,303
Deferred income	10,873,189	11,172,285
Total current liabilities	15,922,394	15,679,588
Non-current Liabilities		
Operating lease liabilities (non-current portion)	1,760,840	2,666,202
Other long-term obligations	26,561	14,083
Total liabilities	17,709,795	18,359,873
Net assets		
Without donor restriction	37,044,982	29,594,543
With donor restrictions	3,232,648	3,053,046
Total net assets	40,277,630	32,647,589
Total liabilities and net assets	\$ 57,987,425	\$ 51,007,462

AORN, INC. AND SUBSIDIARIES

Combined Statements of Activities (Audited)

	For the Years Ended	
	December 31,	
	2023	2022
Revenue		
Membership	\$ 3,943,769	\$ 3,952,422
Syntegrity	2,381,135	2,373,518
Annual Surgical Conference & Expo, includes Pfiedler	8,874,733	7,940,774
Education products	11,439,308	11,083,774
Pfiedler Education	2,179,751	3,187,326
Books	3,200,502	3,130,710
Leasing	-	119,885
Periodicals	798,445	1,270,112
Center for Perioperative Leadership	62,358	4,078
Outpatient surgery division	3,463,951	3,111,064
Contributions, sponsorships and special events, net	1,960,283	2,214,517
Other		
Total revenue	38,304,235	38,388,180
Expense		
Membership	3,402,712	2,948,347
Syntegrity	1,042,659	1,034,122
Annual Surgical Conference & Expo , includes Pfiedler	5,099,114	4,215,668
Education products	2,502,390	2,285,358
Pfiedler Education	3,072,916	3,063,667
Books	2,780,567	2,506,957
Leasing	-	190,606
Periodicals	1,228,352	1,161,139
Center for Perioperative Leadership	370,039	340,530
Education grants and scholarships (Foundation)	565,212	892,796
Outpatient surgery division	3,590,953	3,457,113
Fundraising (Foundation)	180,661	174,375
General and administrative	14,644,925	14,687,489
Total expenses	38,480,500	36,958,167
Change in net assets from operations	(176,265)	1,430,013
Non-operating income		
Investment income net	3,266,012	(1,900,822)
Loss on asset disposal	(24,045)	5,165,335
Total non-operating income	3,241,967	3,264,513
Change in net assets before income taxed	3,065,702	4,694,526
Expo relocation insurance proceeds	5,030,721	-
Impairment of intangible assets	(172,287)	(889,933)
Income tax benefit	(294,095)	(266,990)
Change in net assets	7,630,041	3,537,603
Net assets - beginning of year	32,647,589	29,109,986
Net assets - end of year	\$ 40,277,630	\$ 32,647,589

AORN INC. AND SUBSIDIARIES

Combined Statements of Cash Flows (Audited)

	For the Years Ended	
	December 31,	
	2023	2022
Cash flows from operating activities		
Increase in net assets	\$ 7,630,041	\$ 3,537,603
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	643,387	790,599
Provision for doubtful accounts	-	29,990
Realized and unrealized (gains) losses on investments	(1,682,679)	2,499,229
Contributions restricted for endowments	(91,961)	(141,357)
(Gain) Loss on sale of fixed assets	24,045	(5,165,335)
Impairment of intangible assets	172,287	889,933
Non-cash lease expense	32,952	23,763
Change in assets and liabilities		
Accounts receivable, promises to give and income taxes	68,543	(22,754)
Inventory, prepaid expenses and deposits	(76,790)	(551,133)
Accounts payable, accrued liabilities, scholarships payable and long-term liabilities	586,662	374,445
Deferred income	(299,098)	(443,138)
Net Cash provided by operating activities	7,007,389	1,821,845
 Cash flows from investing activities		
Purchase of property and equipment	(1,165,505)	(1,253,104)
Net proceeds from disposition of property and equipment	44,576	8,091,654
Purchases of investments	(11,317,253)	(5,715,131)
Sales of investments	1,103,600	89,543
Net cash (used in) investing activities	(11,334,582)	1,212,962
 Cash flows from financing activities		
Contributions restricted for endowments	91,961	141,357
Net Cash provided by financing activities of continuing operations	91,961	141,357
 Net (decrease) increase in cash and cash equivalents	(4,235,232)	3,176,164
 Cash and cash equivalents - beginning of year	9,738,940	6,562,776
 Cash and cash equivalents - end of year	\$ 5,503,708	\$ 9,738,940