

AORN, INC. AND SUBSIDIARIES

Combined Statements of Financial Position (Audited)

	December 31,	
	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 3,651,116	\$ 4,477,728
Short-term investments	\$ 14,958,292	\$ 17,664,331
Accounts receivable, net of allowance for doubtful accounts of \$197,996 (2024) and \$194,414 (2023)	3,230,964	3,515,682
Promises to give - current portion	493,500	344,000
Inventory	19,939	25,821
Prepaid expenses and deposits	3,576,888	2,869,093
Total current assets	25,930,699	28,896,655
Property and equipment, net	2,002,533	2,372,405
Right-of-use operating lease assets	1,694,777	2,426,711
Work in progress	39,047	101,022
Long-term prepaid expense, deposits and other	128,707	171,099
Investments	22,840,464	20,768,796
Promises to give - non-current portion	112,500	10,000
Intangible Assets	130,800	145,333
Goodwill, Net	3,095,404	3,095,404
Total Assets	\$ 55,974,931	\$ 57,987,425
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 3,459,920	\$ 4,202,784
Scholarships payable	193,552	123,835
Operating lease liabilities (current portion)	764,197	722,586
Total current liabilities before deferred income	4,417,669	5,049,205
Deferred income	10,320,620	10,873,189
Total current liabilities	14,738,289	15,922,394
Non-current Liabilities		
Operating lease liabilities (non-current portion)	1,000,110	1,760,840
Other long-term obligations	26,561	26,561
Total liabilities	15,764,960	17,709,795
Net assets		
Without donor restriction	36,933,891	37,044,982
With donor restrictions	3,276,080	3,232,648
Total net assets	40,209,971	40,277,630
Total liabilities and net assets	\$ 55,974,931	\$ 57,987,425

AORN, INC. AND SUBSIDIARIES

Combined Statements of Activities (Audited)

	For the Years Ended December 31,	
	2024	2023
Revenue		
Membership	\$ 3,652,094	\$ 3,938,769
Syntegrity	2,469,372	2,381,135
Annual Surgical Conference & Expo	7,519,412	7,477,564
Education products	10,023,589	11,446,860
Pfiedler Education	3,532,635	3,588,196
Books	3,242,846	3,200,502
Periodicals	694,376	798,445
Center for perioperative leadership	49,197	63,138
Outpatient surgery division	3,112,265	3,449,343
Contributions, sponsorships and special events, net	2,350,961	1,960,283
Other		
Total revenue	<u>36,646,747</u>	<u>38,304,235</u>
Expense		
Membership	3,683,974	3,402,712
Syntegrity	1,185,827	1,042,659
Annual Surgical Conference & Expo	5,206,188	5,099,114
Education products	2,951,268	2,502,390
Pfiedler Education	3,253,760	3,072,916
Books	2,667,166	2,780,567
Periodicals	1,267,016	1,228,352
Center for perioperative leadership	543,404	370,039
Education grants and scholarships (Foundation)	1,036,994	565,212
Outpatient surgery division	3,123,957	3,590,953
Fundraising (Foundation)	172,165	180,661
General and administrative	14,352,294	14,644,925
Total expenses	<u>39,444,013</u>	<u>38,480,500</u>
Change in net assets from operations	<u>(2,797,266)</u>	<u>(176,265)</u>
Non-operating income		
Investment income net	3,015,195	3,266,012
Loss on asset disposal	-	(24,045)
Total non-operating income	<u>3,015,195</u>	<u>3,241,967</u>
Change in net assets before income taxed	217,929	3,065,702
Expo relocation insurance proceeds	-	5,030,721
Impairment of intangible assets	-	(172,287)
Income tax benefit	(285,588)	(294,095)
Change in net assets	(67,659)	7,630,041
Net assets - beginning of year	40,277,630	32,647,589
Net assets - end of year	<u>\$ 40,209,971</u>	<u>\$ 40,277,630</u>

AORN INC. AND SUBSIDIARIES

Combined Statements of Cash Flows (Audited)

	For the Years Ended December 31,	
	2024	2023
Cash flows from operating activities		
Increase in net assets	\$ (67,659)	\$ 7,630,041
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	820,572	643,387
Realized and unrealized (gains) losses on investments	(1,032,214)	(1,682,679)
Contributions restricted for endowments	(75,469)	(91,961)
(Gain) Loss on sale of fixed assets	-	24,045
Impairment of intangible assets	-	172,287
Non-cash lease expense	12,815	32,952
Change in assets and liabilities		
Accounts receivable, promises to give and income taxes	32,718	68,543
Inventory, prepaid expenses and deposits	(659,521)	(76,790)
Accounts payable, accrued liabilities, scholarships payable and long-term liabilities	(673,147)	586,662
Deferred income	(552,569)	(299,098)
Net Cash provided by operating activities	(2,194,474)	7,007,389
 Cash flows from investing activities		
Purchase of property and equipment	(374,192)	(1,165,505)
Net proceeds from disposition of property and equipment	-	44,576
Purchases of investments	(2,167,640)	(12,343,233)
Sales of investments	3,834,225	1,103,600
Net cash (used in) investing activities	1,292,393	(12,360,562)
 Cash flows from financing activities		
Contributions restricted for endowments	75,469	91,961
Net Cash provided by financing activities of continuing operations	75,469	91,961
 Net (decrease) increase in cash and cash equivalents	(826,612)	(5,261,212)
 Cash and cash equivalents - beginning of year	4,477,728	9,738,940
 Cash and cash equivalents - end of year	\$ 3,651,116	\$ 4,477,728