
HOSPICE OF THE NORTH COAST
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
Years Ended September 30, 2015 and 2014



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INDEPENDENT AUDITORS' REPORT

To the Audit Committee and Board of Directors of
Hospice of the North Coast

We have audited the accompanying financial statements of Hospice of the North Coast (a nonprofit organization), which comprise the statements of financial position as of September 30, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

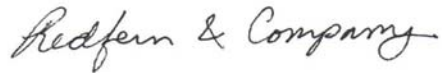
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hospice of the North Coast as of September 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of operating expenses for the years ended at September 30, 2015 and 2014 are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Redfern & Company".

Encinitas, California
January 27, 2016

HOSPICE OF THE NORTH COAST
STATEMENTS OF FINANCIAL POSITION
September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,206,923	\$ 933,146
Accounts receivable, net of allowance for uncollectible accounts of \$21,852 (2015) and \$13,921 (2014)	645,049	493,960
Pledge receivable	40,000	-
Prepaid expenses	<u>102,661</u>	<u>83,173</u>
TOTAL CURRENT ASSETS	2,994,633	1,510,279
NONCURRENT ASSETS		
Property and equipment, net of accumulated depreciation	2,735,239	2,822,883
Deposits	<u>9,781</u>	<u>11,001</u>
TOTAL NONCURRENT ASSETS	<u>2,745,020</u>	<u>2,833,884</u>
TOTAL ASSETS	<u>\$ 5,739,653</u>	<u>\$ 4,344,163</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 104,010	\$ 101,944
Accrued salaries	119,356	90,828
Accrued compensated absences	153,773	107,153
Accrued expenses	2,072	880
Current portion of long term liability	-	57,404
Deferred revenue	<u>590</u>	<u>2,771</u>
TOTAL CURRENT LIABILITIES	379,801	360,980
LONG TERM LIABILITIES, less current portion	<u>1,065,000</u>	<u>1,099,135</u>
TOTAL LIABILITIES	1,444,801	1,460,115
NET ASSETS		
Unrestricted	4,113,735	2,862,048
Temporarily restricted	<u>181,117</u>	<u>22,000</u>
TOTAL NET ASSETS	<u>4,294,852</u>	<u>2,884,048</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,739,653</u>	<u>\$ 4,344,163</u>

HOSPICE OF THE NORTH COAST
STATEMENT OF ACTIVITIES
Year Ended September 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Net patient service revenue	\$ 6,050,930	\$ -	\$ 6,050,930
Contributions	263,968	367,163	631,131
Resale shop sales (net of \$50,323 of sales taxes)		-	
including resale shop contributions of \$622,427	1,244,853	-	1,244,853
Less: resale shop expenses	(944,687)	-	(944,687)
Rental income	2,771	-	2,771
Interest income	1,394	-	1,394
Other income	27,103	-	27,103
Net assets released from restrictions, satisfaction of program restrictions	208,046	(208,046)	-
	<u>6,854,378</u>	<u>159,117</u>	<u>7,013,495</u>
TOTAL SUPPORT AND REVENUE			
OPERATING EXPENSES			
Program services			
Patient care	4,105,012	-	4,105,012
Bereavement	186,431	-	186,431
Volunteer	93,327	-	93,327
Community outreach	155,309	-	155,309
Supporting services			
Administration	932,006	-	932,006
Fundraising	130,606	-	130,606
	<u>5,602,691</u>	<u>-</u>	<u>5,602,691</u>
TOTAL EXPENSES			
	1,251,687	159,117	1,410,804
INCREASE IN NET ASSETS			
NET ASSETS AT BEGINNING OF YEAR	<u>2,862,048</u>	<u>22,000</u>	<u>2,884,048</u>
NET ASSETS AT END OF YEAR	<u>\$ 4,113,735</u>	<u>\$ 181,117</u>	<u>\$ 4,294,852</u>

HOSPICE OF THE NORTH COAST
STATEMENT OF ACTIVITIES
Year Ended September 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Net patient service revenue	\$ 4,085,554	\$ -	\$ 4,085,554
Contributions	177,985	279,215	457,200
Resale shop sales (net of \$53,468 of sales taxes) including resale shop contributions of \$710,608	1,314,280	-	1,314,280
Less: resale shop expenses	(975,569)	-	(975,569)
Rental income	33,251	-	33,251
Less: rental expenses	(13,528)	-	(13,528)
Interest income	1,544	-	1,544
Net assets released from restrictions, satisfaction of program restrictions	257,215	(257,215)	-
TOTAL SUPPORT AND REVENUE	4,880,732	22,000	4,902,732
OPERATING EXPENSES			
Program services			
Patient care	3,376,483	-	3,376,483
Bereavement	213,885	-	213,885
Volunteer	80,088	-	80,088
Community outreach	157,364	-	157,364
Supporting services			
Administration	1,107,292	-	1,107,292
Fundraising	215,139	-	215,139
TOTAL EXPENSES	5,150,251	-	5,150,251
INCREASE (DECREASE) IN NET ASSETS	(269,519)	22,000	(247,519)
NET ASSETS AT BEGINNING OF YEAR	3,131,567	-	3,131,567
NET ASSETS AT END OF YEAR	\$ 2,862,048	\$ 22,000	\$ 2,884,048

HOSPICE OF THE NORTH COAST
STATEMENTS OF CASH FLOWS
Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 1,410,804	\$ (247,519)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	126,004	149,038
(Increase) decrease in operating assets:		
Accounts receivable, net	(151,089)	193,306
Pledge receivable	(40,000)	
Prepaid expenses	(19,488)	10,195
Increase (decrease) in operating liabilities:		
Accounts payable	2,066	(56,425)
Accrued salaries	28,528	7,492
Accrued compensated absences	46,620	(14,525)
Accrued expenses	1,192	(3,348)
Deferred revenue	(2,181)	(1,054)
	<u>1,402,456</u>	<u>37,160</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in deposits	1,220	14,040
Transfer of assets not placed into service	-	19,945
Purchases of property and equipment	(38,360)	(8,774)
	<u>(37,140)</u>	<u>25,211</u>
CASH FLOWS USED BY FINANCING ACTIVITIES		
Payments on long-term liabilities	(91,539)	(55,661)
	<u>(91,539)</u>	<u>(55,661)</u>
	1,273,777	6,710
	<u>933,146</u>	<u>926,436</u>
	<u>\$ 2,206,923</u>	<u>\$ 933,146</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest paid	\$ <u>1,624</u>	\$ <u>3,703</u>

HOSPICE OF THE NORTH COAST
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Hospice of the North Coast (Organization) is a California nonprofit corporation formed in 1980. The Organization's purpose is to provide comprehensive, individualized care for the terminally ill, and to provide grief support and education to the community.

The Organization accomplishes its purpose predominately through patient care. It also provides bereavement support. Based on revenue, major support comes from net patient revenue, contributions and the operation of its resale shop in Encinitas, California.

Financial Statement Presentation

The accompanying financial statements are prepared on the accrual basis of accounting. The Organization's net assets and its revenues, expenses, gains and losses are reported based on the existence or absence of donor-imposed restrictions. The Organization reports information regarding its financial position and operations according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- *Unrestricted net assets* represent expendable funds available for operations, which are not otherwise limited by donor restrictions.
- *Temporarily restricted net assets* consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds.
- *Permanently restricted net assets* are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations.

The Organization had no permanently restricted net assets during the years ended September 30, 2015 and 2014.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Accounts Receivable

Accounts receivable consist primarily of net patient service revenue due from federal and state third-party reimbursement programs. Estimated uncollectible accounts receivable are recorded as a contractual allowance in the statements of financial position. The allowance is based on management's estimate. It is the policy of management to review the outstanding accounts receivable at year-end, as well as the bad debt write-offs experienced in the past to establish an allowance for uncollectible amounts.

HOSPICE OF THE NORTH COAST
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pledges Receivable

Pledges receivable represent unconditional promises to give and are reported at fair value by discounting any expected future pledge payments at the balance sheet date. Pledges extending beyond one year are discounted to recognize the present value of the future cash flows. In subsequent years, this discount is recorded as additional contribution revenue in accordance with donor imposed restrictions, if any. Changes in the fair value of pledges receivable are reported in the statement of activities as contribution revenue except for changes in the allowance which are reported as program expenses at each subsequent reporting date.

Property and Equipment

Property and equipment additions that are purchased are recorded at cost and donations of property and equipment are recorded as support at fair value. Additions exceeding \$1,500 and an estimated useful life of more than one year are capitalized. Routine repairs and maintenance are expensed as incurred. Property and equipment is depreciated using the straight-line method over the estimated useful lives of the assets and generally ranges from three to twenty seven and a half years. Depreciation expense for the years ended September 30, 2015 and 2014 was \$126,004 and \$149,037, respectively.

Donations of property and equipment are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Restrictions on gifts of fixed assets or cash for the purchase of fixed assets expire when the asset is placed in service.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization with various programs. These donated services do not meet the criteria for recognition as a contribution and are not reflected in the financial statements.

Donated Inventory Items

The Organization records donated inventory at fair market value. Because the fair value of the inventory cannot be objectively determined prior to its sale, the Organization records donated items as revenue and cost of goods sold in the period sold.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered.

Advertising

The Organization expenses the cost of advertising as incurred.

HOSPICE OF THE NORTH COAST
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. The Organization may be subject to tax on income which is not related to its exempt purpose. For the years ended September 30, 2015 and 2014, no such unrelated business income was reported and, therefore, no provision for income taxes has been made.

The Organization follows the provisions of uncertain tax positions as addressed in FASB Accounting Standards Codification. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. There are no amounts accrued in the financial statements related to uncertain tax positions for the years ended September 30, 2015 and 2014.

The Organization files informational and income tax returns in the United States and various state and local jurisdictions. The Organization's Federal income tax and informational returns for the years ended September 30, 2015, 2014 and 2013 are subject to examination by the Internal Revenue Service, generally for 3 years after the returns were filed. State and local jurisdictions have statutes of limitation that generally range from 3 to 5 years.

Subsequent Events

The Organization evaluated subsequent events through January 27, 2016, which is the date the financial statements were available to be issued.

NOTE 2. CONCENTRATIONS OF CREDIT RISK

Cash

The Organization maintains various bank accounts in Carlsbad, California. Accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Organization manages the risk by using institutions management believes to be high quality. Cash as of September 30, 2015 and 2014 exceeded federally insured limits by \$1,516,607 and \$230,659, respectively.

Net Patient Service Revenue

The Organization grants credit without collateral to its patients, most of who are local residents and are insured under third-party payor agreements. The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates.

Approximately 92% and 95% of net patient service revenue for the years ended September 30, 2015 and 2014, respectively, was derived under federal and state third-party payor agreements. Accounts receivable from federal and state third-party reimbursement programs at September 30, 2015 and 2014 were 84% and 86%, respectively, of total accounts receivable.

HOSPICE OF THE NORTH COAST
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

NOTE 3. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>2015</u>	<u>2014</u>
Building	\$ 2,167,232	\$ 2,167,232
Furniture and office equipment	131,695	98,653
Computer equipment	181,967	176,648
Leasehold improvements	119,027	119,027
	<u>2,599,921</u>	<u>2,561,560</u>
Less accumulated depreciation	(613,913)	(487,909)
	<u>1,986,007</u>	<u>2,073,651</u>
Land	749,232	749,232
	<u>\$ 2,735,239</u>	<u>\$ 2,822,883</u>

NOTE 4. LONG TERM LIABILITIES

Long term liabilities consist of the following:

	<u>2015</u>	<u>2014</u>
Unsecured note payable to a financial institution, payable in monthly installments of \$4,947 including interest at 3%, through March 11, 2016 with a final installment of any remaining principal and interest due on April 11, 2016.	\$ -	\$ 91,539
Forgivable promissory note terminating February 6, 2033 granted by the Carlsbad City Council for the acquisition of a hospice house. The note bears interest at 0% with no amounts due as long as the Organization adheres to the provisions of the agreement.	<u>1,065,000</u>	<u>1,065,000</u>
	1,065,000	1,156,539
Less current portion	<u>-</u>	<u>(57,404)</u>
	<u>\$ 1,065,000</u>	<u>\$ 1,099,135</u>

NOTE 5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following:

	<u>2015</u>	<u>2014</u>
Pacifica House	\$ 112,668	\$ 20,000
Staff appreciation, education and salaries	63,958	-
Charity care	3,285	-
Veterans transportation	1,206	2,000
	<u>\$ 181,117</u>	<u>\$ 22,000</u>

HOSPICE OF THE NORTH COAST
NOTES TO FINANCIAL STATEMENTS
 Years Ended September 30, 2015 and 2014

NOTE 6. OPERATING LEASES

The Organization leases property in Encinitas, California on a lease that expires October 31, 2019. Total rent expense for these leases for the years ended September 30, 2015 and 2014 was \$182,277 and \$181,231, respectively. The Organization leases office equipment. Total rent expense for office equipment for the years ended September 30, 2015 and 2014 was \$24,200 and \$25,984, respectively.

Future minimum payments under these operating leases at September 30, 2015 are due as follows:

Year Ending September 30,	
2016	\$ 175,845
2017	158,443
2018	159,713
2019	162,908
2020	13,598
Thereafter	<u>-</u>
	<u>\$ 670,507</u>

NOTE 7. RENTAL INCOME

The Organization leases portions of its building space to a company under an operating lease. The lease expired October 2014. Revenue under the lease agreements for the years ended September 30, 2015 and 2014 were \$2,771 and \$33,251, respectively.

NOTE 8. EMPLOYEE RETIREMENT PLAN

The Organization sponsors a 401(k) profit sharing plan. The plan covers substantially all employees. The Organization may make a matching contribution equal to a percentage of eligible employees' contributions and up to a percentage of pay chosen by the Organization. The Organization elected to match 100% of eligible employees' contributions up to 3% of gross pay for the years ended September 30, 2015 and 2014. Contribution expense for the years ended September 30, 2015 and 2014 was \$51,706 and \$53,937, respectively.

NOTE 9. SPLIT-INTEREST GIFTS

The Organization is a beneficiary of a split-interest irrevocable charitable remainder trust which was created in 1993. Upon termination of the trusts, the Organization will receive a 33.33% of the assets remaining in the trust. The trust fund is held by others and the present value of the estimated future amount to be received from the trust is not estimable therefore the investment has not been recorded.

NOTE 10. TRANSFERS OF ASSETS TO A RECIPIENT ORGANIZATION THAT RAISES OR HOLDS CONTRIBUTIONS FOR OTHERS

Endowment Fund

The Organization irrevocably transferred \$10,000 to the Coastal Community Foundation (CCF) during the year ended September 30, 2015 to establish the Hospice of the North Coast Compassionate Care Fund. The Organization granted variance power to CCF to carry out the purposes of the fund established by the transfer including but not limited to the power to retain, invest and reinvest the funds in any manner within the "prudent investor" standard and the power to commingle the assets of the established fund with those of other funds for investment purposes.

HOSPICE OF THE NORTH COAST
NOTES TO FINANCIAL STATEMENTS
Years Ended September 30, 2015 and 2014

NOTE 10. TRANSFERS OF ASSETS TO A RECIPIENT ORGANIZATION THAT RAISES OR HOLDS CONTRIBUTIONS FOR OTHERS (continued)

Further, the CCF was granted the ability to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to any specified organization if, in the sole discretion of the CCF Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served. Each year, CCF will distribute to the Organization, four and a half percent (4.5%) of the value of the Fund as determined on a date in the prior year selected by the CCF's Board of Directors. Currently, the value of each fund in the CCF is determined on December 31st of each year. The established fund is charged one and a half percent (1.5%) as an annual administrative fee. This fee shall be calculated based upon the average daily balance in the established fund and assessed on a monthly basis. Any costs to the CCF in accepting, transferring or managing property donated to the CCF for the established fund shall also be paid from the established fund. The account balance as of September 30, 2015 was \$18,807. The CCF made no contributions to the Organization for the year ended September 30, 2015.

NOTE 11. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on time and usage.

NOTE 12. RECLASSIFICATIONS

Certain items in the 2014 financial statements have been reclassified to conform to current year classifications. Such reclassifications had no effect on previously reported changes in net assets.

Supplementary Information

HOSPICE OF THE NORTH COAST
SCHEDULE I - STATEMENT OF OPERATING EXPENSES
Year Ended September 30, 2015

	Program Services				Supporting Services		Total
	Patient Care	Bereavement	Volunteer	Community Outreach	Administration	Fundraising	
Advertising	\$ -	\$ -	\$ -	\$ 7,154	\$ 3,066	\$ -	\$ 10,220
Ambulance	9,825	-	-	-	-	-	9,825
Bank charges	-	-	-	-	1,014	524	1,538
Benefits	374,268	18,005	8,727	10,966	81,538	10,914	504,418
Bio hazardous waste	3,210	-	-	-	-	-	3,210
Community relations	-	166	30	2,542	2,042	655	5,435
Computer	39,195	-	-	5,554	30,932	1,470	77,151
Consulting	-	350	-	2,013	2,028	184	4,575
Continuing education	7,288	-	599	410	6,158	1,194	15,649
Contract labor	116,296	-	-	-	-	-	116,296
Depreciation - nonresale shop	49,313	-	-	-	32,175	-	81,488
Diet and nutritional	14,091	-	-	-	-	-	14,091
Donor relations	-	-	-	-	-	8,311	8,311
Dues	14,519	1,755	-	70	9,677	260	26,281
Durable medical equipment	236,792	-	-	-	-	-	236,792
Emergency room	960	-	-	-	-	-	960
Facility	98,013	20,967	3,700	6,167	28,367	1,233	158,447
Functions and events	-	23,038	-	407	174	-	23,619
Inpatient	2,443	-	-	-	-	-	2,443
Insurance	4,585	-	-	-	30,020	-	34,605
Interest	1,624	-	-	-	-	-	1,624
Lab and diagnostics	1,010	-	-	-	-	-	1,010
Linen service	8,902	-	-	-	-	-	8,902
Marketing	-	-	-	9,625	4,125	-	13,750
Medical supplies	61,320	-	-	-	-	-	61,320
Meetings	15	89	-	-	1,770	442	2,316
Mileage	80,266	2,999	467	4,695	4,490	594	93,511
Office	21,219	447	74	719	35,206	81	57,746
Other patient related	3,763	-	-	-	-	-	3,763
Payroll taxes	184,006	7,112	4,251	6,604	35,647	6,781	244,401
Pharmacy	207,233	-	-	-	-	-	207,233
Postage	113	1,405	20	513	2,333	4,037	8,421
Printing	957	5,153	-	2,021	2,606	800	11,537
Professional services	28,848	-	-	-	25,959	-	54,807
Publications	148	717	-	18	2,011	29	2,923
Storage	-	-	-	-	1,804	-	1,804

HOSPICE OF THE NORTH COAST
SCHEDULE I - STATEMENT OF OPERATING EXPENSES
Year Ended September 30, 2015

	Program Services			Supporting Services		Total	
	Patient Care	Bereavement	Volunteer	Community Outreach	Administration		Fundraising
Respite	5,870	-	-	-	-	-	5,870
Salaries	2,385,246	104,228	67,757	95,073	580,274	90,680	3,323,258
Skilled nursing faculty	107,939	-	-	-	-	-	107,939
Telephone	31,395	-	744	758	5,196	600	38,693
Travel	800	-	-	-	3,394	1,817	6,011
Therapies	775	-	-	-	-	-	775
Uniforms	2,765	-	-	-	-	-	2,765
Volunteer appreciation	-	-	1,096	-	-	-	1,096
Volunteer training	-	-	5,862	-	-	-	5,862
	<u>\$ 4,105,012</u>	<u>\$ 186,431</u>	<u>\$ 93,327</u>	<u>\$ 155,309</u>	<u>\$ 932,006</u>	<u>\$ 130,606</u>	<u>\$ 5,602,691</u>

HOSPICE OF THE NORTH COAST
SCHEDULE II - STATEMENT OF OPERATING EXPENSES
Year Ended September 30, 2014

	Program Services				Supporting Services		Total
	Patient Care	Bereavement	Volunteer	Community Outreach	Administration	Fundraising	
Advertising	\$ 913	\$ -	\$ -	\$ 118	\$ 18,696	\$ -	\$ 19,727
Ambulance	12,571	-	-	-	-	-	12,571
Bank charges	-	-	-	-	1,241	1,162	2,403
Benefits	350,474	11,218	3,756	7,602	74,678	7,462	455,190
Bio hazardous waste	1,586	-	-	-	-	-	1,586
Community Relations	-	1,060	-	431	4,425	2,201	8,117
Computer	35,818	13	-	731	14,973	1,588	53,123
Consulting	15,856	-	-	-	10,176	-	26,032
Continuing education	7,258	599	-	283	5,935	569	14,644
Contract labor	104,643	-	-	-	-	-	104,643
Depreciation - nonresale shop	37,609	-	-	-	66,430	-	104,039
Diet and nutritional	7,883	-	-	-	-	-	7,883
Donor relations	-	-	-	-	-	1,700	1,700
Dues	7,757	1,516	35	124	8,677	181	18,290
Durable medical equipment	174,954	-	-	-	-	-	174,954
Emergency room	555	-	-	-	-	-	555
Facility	91,323	16,630	2,558	3,582	23,282	1,279	138,654
Functions and events	-	15,215	-	-	-	-	15,215
Inpatient	3,939	-	-	-	-	-	3,939
Insurance	3,500	-	-	-	29,710	-	33,210
Interest	3,703	-	-	-	-	-	3,703
Lab and diagnostics	2,182	-	-	-	-	-	2,182
Linen service	9,179	-	-	-	-	-	9,179
Marketing	-	-	-	6,371	2,730	-	9,101
Medical supplies	36,273	-	-	-	-	-	36,273
Meetings	195	73	15	-	1,869	298	2,450
Mileage	73,248	2,188	11	4,398	5,071	888	85,804
Office	17,489	912	109	441	42,039	364	61,354
Outpatient services	684	-	-	-	-	-	684
Other Patient Related	3,205	-	-	-	-	-	3,205
Payroll taxes	141,735	10,176	4,498	8,204	48,218	12,746	225,577
Pharmacy	148,596	-	-	-	-	-	148,596
Postage	20	1,698	51	-	2,544	495	4,808
Printing	328	3,422	28	508	1,279	1,817	7,382
Professional services	-	-	-	-	56,287	-	56,287
Publications	-	527	-	-	1,350	-	1,877

HOSPICE OF THE NORTH COAST
SCHEDULE II - STATEMENT OF OPERATING EXPENSES
Year Ended September 30, 2014

	Program Services				Supporting Services		Total
	Patient Care	Bereavement	Volunteer	Community Outreach	Administration	Fundraising	
Storage	-	-	-	-	1,656	-	1,656
Respite	5,406	-	-	-	-	-	5,406
Salaries	1,983,637	147,474	61,461	123,411	675,581	181,027	3,172,591
Skilled nursing faculty	60,843	-	-	-	-	-	60,843
Telephone	23,827	524	1,195	1,160	4,693	1,055	32,454
Travel	2,095	640	-	-	5,752	307	8,794
Therapies	5,370	-	-	-	-	-	5,370
Uniforms	1,829	-	-	-	-	-	1,829
Volunteer appreciation	-	-	6,371	-	-	-	6,371
	<u>\$ 3,376,483</u>	<u>\$ 213,885</u>	<u>\$ 80,088</u>	<u>\$ 157,364</u>	<u>\$ 1,107,292</u>	<u>\$ 215,139</u>	<u>\$ 5,150,251</u>