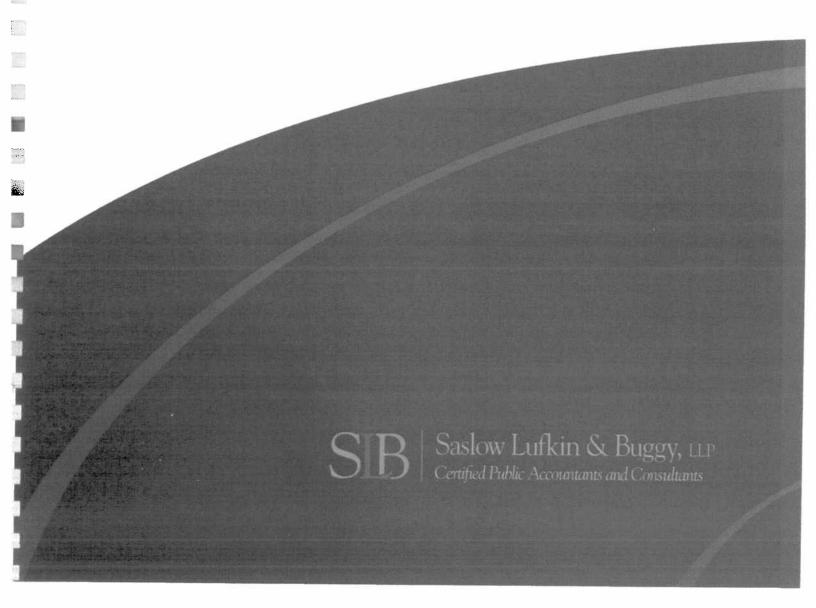
### Danbury Visiting Nurse Association, Inc.

Independent Auditors' Report and Financial Statements

As of and for the Years Ended September 30, 2010 and 2009



### Danbury Visiting Nurse Association, Inc. Independent Auditors' Report and Financial Statements As of and for the Years Ended September 30, 2010 and 2009

### Table of Contents

<u>l</u>	<u>Page</u>
ndependent Auditors' Report	1
inancial Statements:	
Balance Sheets	2
Statements of Operations	3
Statements of Changes in Net Assets	4
Statements of Cash Flows	.5
Notes to the Financial Statements	.6

# Saslow Lufkin & Buggy, LLP

### Independent Auditors' Report

To the Board of Directors of the Danbury Visiting Nurse Association, Inc.:

We have audited the balance sheet of the Danbury Visiting Nurse Association, Inc. (the Association) as of September 30, 2010, and the related statements of operations, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Association as of September 30, 2009 were audited by other auditors whose report, dated November 24, 2009, expressed an unqualified opinion.

We conducted our audit 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Danbury Visiting Nurse Association, Inc. as of September 30, 2010, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Saslow Lufkin & Buggy, LLP

December 15, 2010

10 Tower Lane Avon CT 06001 Telephone (860) 678-9200 FAX (860) 678-9202

30 Main Street Burlington, VT 05401 Telephone (802) 865-9300 FAX (802) 865-9302

email: information@slbcpa.com

## Danbury Visiting Nurse Association, Inc. Balance Sheets September 30, 2010 and 2009

		2010	2009	
Assets				
Current assets:				
Cash and cash equivalents	\$	1,149,916	\$	1,032,115
Certificate of deposit, at cost	_	201,162	Ψ	1,002,110
Investments		709,622		672,955
Accounts receivable, less allowance for doubtful		, , , , , , , , , , , , , , , , , , , ,		5 / <b>_ ,</b>
accounts of \$77,113 in 2010 and \$29,741 in 2009		550,637		627,253
Other receivables		61,992		68,966
Prepaid expenses and inventories		252,919		141,985
Total current assets		2,926,248		2,543,274
Property, plant and equipment, net		31,964		46,734
Assets limited as to use:				
Cash and cash equivalents	*****	42,554		21,156
Total assets		3,000,766	\$	2,611,164
Liabilities and No	et Assets	<b>S</b>		
Current liabilities:				
Accounts payable and accrued expenses	\$	237,621	\$	158,745
Due to affiliates		163,925		165,175
Accrued payroll and related taxes		146,951		125,155
Deferred patient service revenue		194,882		165,012
Deferred grant revenue		52,705		61,328
Due to third-party reimbursement agencies		35,436		44,835
Advances from third-party reimbursement agencies		-		97,741
Total current liabilities		831,520		817,991
Net assets:				
Unrestricted		2,126,692		1,772,017
Temporarily restricted		42,554		21,156
Total net assets		2,169,246		1,793,173
Total liabilities and net assets	\$	3,000,766	\$	2,611,164

The accompanying notes are an integral part of these financial statements.

## Danbury Visiting Nurse Association, Inc. Statements of Operations For the Years Ended September 30, 2010 and 2009

	- <del>1000</del>	2010	2009	
Operating revenues:				
Net patient service revenues	\$	4,749,290	\$	4,635,099
Interest and investment income		14,187	•	28,828
United way allocation		28,802		32,352
Contributions, gifts and fundraising		53,333		42,122
Grant revenue		83,759		83,257
City of Danbury grant revenue		58,304		89,711
Net assets released from restrictions		,		,
used for operations		32,165		32,865
Other revenue	***************************************	10,809		21,494
Total operating revenues		5,030,649		4,965,728
Expenses:				
Salaries and wages		2,477,257		2,508,001
Payroll taxes and employee benefits		913,888		763,539
Professional fees and contracted services		184,162		234,949
Space occupancy		154,909		152,467
Supplies		605,109		645,976
Transportation		86,360		97,362
Other		204,086		209,668
Bad debts		71,784		30,648
Depreciation		31,713		43,986
Total expenses		4,729,268		4,686,596
Excess of revenues over expenses,				
before net appreciation on investments		301,381		279,132
Net appreciation on investments	-	53,294		12,033
Excess of revenue over expenses and changes				
in unrestricted net assets	\$	354,675	\$	291,165

## Danbury Visiting Nurse Association, Inc. Statements of Changes in Net Assets For the Years Ended September 30, 2010 and 2009

	 2010	2009		
Unrestricted net assets:				
Excess of revenue over expenses and				
changes in unrestricted net assets	\$ 354,675	\$	291,165	
Temporarily restricted net assets:				
Contributions	53,563		41,188	
Net assets released from restrictions used for operations	 (32,165)		(32,865)	
Change in temporarily restricted net assets	 21,398		8,323	
Change in net assets	376,073		299,488	
Net assets, beginning of year	 1,793,173		1,493,685	
Net assets, end of year	\$ 2,169,246	\$	1,793,173	

The accompanying notes are an integral part of these financial statements.

### Danbury Visiting Nurse Association, Inc. Statements of Cash Flows For the Years Ended September 30, 2010 and 2009

		2010	2009		
Cash flows from operating activities:					
Change in net assets	\$	376,073	\$	299,488	
Adjustments to reconcile change in net assets to net					
cash provided by operating activities:					
Depreciation		31,713		43,986	
Contributions		(53,563)		(41,188)	
Bad debts		71,784		30,648	
Net realized and unrealized gains on investments		(42,480)		(12,033)	
Changes in:					
Accounts receivable		4,832		(103,890)	
Other receivables		6,974		47,331	
Prepaid expenses and inventories		(110,934)		185,964	
Assets limited as to use		(21,398)		(8,323)	
Accounts payable and accrued expenses		78,876		(190,985)	
Due to affiliates		(1,250)		26,791	
Accrued payroll and related taxes		21,796		30,132	
Deferred patient service revenue		29,870		13,081	
Deferred grant revenue		(8,623)		(33,918)	
Due to third-party reimbursement agencies		(9,399)		-	
Advances from third-party reimbursement agencies		(97,741)		97,741	
Net cash provided by operating activities		276,530		384,825	
Cash flows from investing activities:					
Purchase of certificate of deposit		(201,162)		_	
Net proceeds from sales of investments		5,813		2,530	
Purchases of property, plant and equipment	<del></del>	(16,943)		(27,478)	
Net cash used in investing activities		(212,292)		(24,948)	
Cash flows from financing activities:					
Proceeds received from contributions		53,563		41,188	
Net cash provided by financing activities	***************************************	53,563	****	41,188	
Net change in cash and cash equivalents		117,801		401,065	
Cash and cash equivalents, beginning of year		1,032,115		631,050	
Cash and cash equivalents, end of year	\$	1,149,916	\$	1,032,115	

The accompanying notes are an integral part of these financial statements.

#### Note 1 - Organization

Organization - Danbury Visiting Nurse Association, Inc. (the Association) was incorporated in 1940 in Connecticut as a not-for-profit corporation. The Association is a wholly-owned subsidiary of Western Connecticut Healthcare, Inc. (WCH). The Association provides health and supportive services to individuals at their homes in the Western Connecticut Region, and provides public health nursing programs throughout Connecticut. In addition, in partnership with WCH, the Association provides a community health program, Wellness on Wheels (WOW), for families with limited access to medical care.

#### Note 2 - Significant Accounting Policies

**Basis of Presentation** - The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

New Accounting Pronouncements - In January 2010, the FASB issued FASB ASU 2010-06, which clarifies certain existing fair value measurement disclosure requirements of FASB ASC 820-10 and also requires additional fair value measurement disclosures. The new disclosures relate to transfers in and out of Level 1 and 2 investments, and disclosures about inputs and valuation techniques. The disclosures regarding transfers in and out of Level 1 and 2 investments, and clarifications to existing disclosures are effective for interim and annual periods beginning after December 15, 2009. The disclosures of Level 3 investment rollforward of activity on a gross basis are effective for fiscal years beginning on or after December 15, 2010. The Association is currently evaluating the impact of these disclosures on its financial statements.

In August 2010, the FASB issued ASU 2010-23, which is intended to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care. ASU 2010-23 requires that cost be used as the measurement basis for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing the charity care, and requires disclosure of the method used to identify or determine such costs. This ASU is effective for the Association on October 1, 2011. The Association is currently evaluating the impact on its disclosures from the adoption of this pronouncement.

Use of Estimates - The preparation of financial statements in conformity with 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents - The Association classifies all securities with original maturity dates of three months or less from the date of purchase as cash equivalents. Cash equivalents include money market funds. Cash balances are insured by the Federal Depository Insurance Corporation (FDIC), which insures up to \$250,000 per depositor, per bank. In addition, FDIC coverage for balances in non-interest bearing transaction deposit accounts is unlimited if the bank elects to participate. Amounts in excess of the FDIC limits are uninsured. The Association's cash accounts reside with several banks and from time-to-time, balances may exceed the FDIC limits. It is the Association's policy to monitor the financial institutions' financial strength on an ongoing basis.

### Note 2 - Significant Accounting Policies (continued)

Money market funds are not insured by the FDIC and are not a risk-free investment. Money market funds invest in a variety of instruments including mortgage-backed and asset-backed securities. Although a money market fund seeks to preserve its \$1 per share value, it is possible that a money market fund's value can decrease below \$1 per share.

*Certificate of Deposit* - The Association holds one non-negotiable certificate of deposit with a maturity of greater than three months. The certificate of deposit is carried at cost, which approximates its fair value. The certificate of deposit is subject to early withdrawal penalties.

Investments - The Association accounts for its investments in trading securities in accordance with FASB ASC 320, "Investments - Debt and Equity Securities." Management determines the appropriate classification of its investments in equity securities at the time of purchase and reevaluates such determination at each balance sheet date.

All of the Association's investments were classified as trading securities. Trading securities may be sold prior to maturity and are carried at fair value while unrealized gains and losses are recognized within the statement of operations during the year in which they occur. Investment income (including realized gains and losses on investments, interest and dividends) is included in excess of revenues over expenses unless restricted by donor or law.

Assets Limited as to Use - During 2009, the Association adopted FASB ASC 958 "Not-for-Profit Entities," which provides guidance on the net asset classification of donor-restricted endowment funds for not-for-profit organizations subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and requires additional disclosures for all assets limited as to use. The Board of Directors and management have determined that the Association's net assets do not meet the definition of endowment under UPMIFA. In addition, the Board of Directors and management have determined that the Association's investment portfolio does not meet the definition of endowment under FASB ASC 958.

**Temporarily Restricted Net Assets** - Temporarily restricted net assets are those whose use by the Association has been limited by donors to a specific time period or purpose.

**Property, Plant and Equipment** - Property, plant and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from three to fifteen years.

**Deferred Revenue** - The Association has recognized deferred revenue amounts under the Medicare Prospective Payment System (PPS), which have yet to be earned.

**Recognition of Grant Revenue** - Grants are generally considered to be exchange transactions in which the grantor requires the performance of specified activities. Entitlement to cost reimbursement grants is conditioned on the expenditure of funds in accordance with grant restrictions and; therefore, revenue is recognized to the extent of grant expenditures. Entitlement to performance based grants is conditioned on the attainment of specific performance goals and; therefore, revenue is recognized to the extent of performance achieved. Grant receipts in excess of revenues recognized are presented as deferred grant revenue.

### Note 2 - Significant Accounting Policies (continued)

Excess of Revenues over Expenses - The statements of operations include excess of revenues over expenses. Changes in unrestricted net assets, which are excluded from excess of revenues over expenses, are consistent with industry practices, include unrealized gains and losses on investments other than trading securities and contributions of long-lived assets (including assets acquired using contributions which by donor restrictions were to be used for the purposes of acquiring such assets).

**Charity Care** - The Association provides care to patients, who meet certain criteria under its charity care policy, without charge or at amounts less than its established rates. Because the Association does not pursue collection of amounts determined to be charity care, they are not reported as revenue.

The amount of charges forgone for home care services furnished under the Association's charity care policy aggregated approximately \$34,685 and \$62,050 in 2010 and 2009, respectively.

The amount of charges forgone for health care services furnished under the Association's WOW program aggregates approximately \$36,828 and \$48,576 in 2010 and 2009, respectively.

**Bad Debts** - The Association uses the indirect method to record bad debts. The Association records an allowance for doubtful accounts, which is based on its estimation of bad debts, against its outstanding accounts receivable. This estimate is based on the Association's past experience with collecting its receivables and an analysis of the current accounts receivable.

Malpractice Costs - Effective October 1, 2004, WCH formed a captive insurance company, Danbury Health Systems Insurance Company, Ltd. (DHSIC) domiciled in the Cayman Islands, to provide alternative professional liability insurance. The Association is covered by DHSIC under a claims-made policy and has not established a reserve for claims incurred but not reported as of September 30, 2010 and 2009, as management believes there is no exposure based on all known relevant information at year end.

Donor Restricted Gifts - Unconditional promises to give cash and other assets to the Association are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

**Income Taxes** - The Association has been recognized by the Internal Revenue Service as a not-for-profit corporation as described in section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income.

During 2010, the Association was required to adopt certain provisions of FASB ASC 740, "Income Taxes" which provide a new framework for how companies should recognize, measure, present and disclose uncertain tax positions in their financial statements. With these changes, the Association may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

#### Note 2 - Significant Accounting Policies (continued)

The Association does not have any uncertain tax positions as of September 30, 2010. As of September 30, 2010, the Association did not record any penalties or interest associated with uncertain tax positions.

**Reclassifications** - Certain reclassifications to the 2009 financial statements have been made in order to conform with the 2010 presentation. These reclassifications are not material to the audited financial statements.

**Subsequent Events** - Subsequent events have been evaluated through December 15, 2010, which is the date the financial statements were available to be issued. Management believes there are no subsequent events having a material impact on the financial statements.

#### Note 3 - Net Patient Service Revenue

Net patient service revenues are reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and are comprised of the following for the years ended September 30, 2010 and 2009:

	************	2010	 2009
Medicare	\$	3,022,149	\$ 3,077,421
Medicaid		282,590	290,615
Private insurance and others		1,414,790	1,208,965
CCCI		29,761	 58,098
Net patient service revenues	\$	4,749,290	\$ 4,635,099

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The Association believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries have been made, 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 renders services to patients under agreements with third-party payers (primarily Medicare, Medicaid and private insurances) which reimburse the Association. Services rendered to the Medicare program beneficiaries are paid based upon a sixty-day episodic prospective payment rate. Services rendered to the Medicaid program beneficiaries are paid based upon a per visit or per hour payment rate. Amounts received are generally less than the Association's established billing rates and the difference is accounted for as a contractual allowance. Final determination of the amounts earned is subject to review by the third-party payers or their agents.

Retroactive adjustments under reimbursement agreements with third-party payers are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Amounts due to third-party reimbursement agencies represent management's estimate of the final settlements under the provisions of reimbursement agreements with third-party payers. It is possible that the recorded estimates will change by material amounts as the settlements are finalized.

#### Note 4 - Investments

Investments classified as trading and carried at fair value as of September 30, 2010, are as follows:

	Cost		********	Market Value	Net Unrealized Loss		
Exchange-traded funds	\$	748,518	\$	709,622		(38,896)	
	\$	748,518	\$	709,622	\$	(38,896)	

Investments classified as trading and carried at fair value as of September 30, 2009, are as follows:

	Cost		<u></u>	Market Value	Net Unrealized Loss		
Exchange-traded funds	\$	765,145	\$	672,955	\$	(92,190)	
	\$	765,145	\$	672,955	\$	(92,190)	

As of September 30, 2010, 56% and 44% of the Association's investments in exchange-traded funds were allocated to equity and fixed-income funds, respectively. As of September 30, 2009, 55% and 45% of the Association's investments in exchange-traded funds were allocated to equity and fixed-income funds, respectively.

The Association currently holds five securities in a position of decline as of September 30, 2010, which have been in an unrealized loss position for a period of greater than twelve months. The following table shows the investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, as of September 30, 2010:

	Less than 12 months				Greater than 12 months			
	Fair Value		Unrealized Losses			Fair Value		realized Losses
Exchange-traded funds	\$	-	\$	-	\$	373,230	\$	(54,910)

#### Note 4 - Investments (continued)

The Association held six securities in a position of decline as of September 30, 2009, which have been in an unrealized loss position for a period of greater than twelve months. The following table shows the investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, as of September 30, 2009:

	I	Less than 12 months			Greater tha	nn 12 months		
	Fair Value		Unrealized Losses		Fair Value	Uı	nrealized Losses	
Exchange-traded funds		-	\$	-	\$ 368,406	\$	(97,977)	

Interest and dividend income on investments totaled \$25,001 and \$28,828 for the years ended September 30, 2010 and 2009, respectively. Realized losses on the investments totaled \$10,814 for the year ended September 30, 2010. There were no realized gains or losses on investments for the year ended September 30, 2009.

#### Note 5 - Fair Value Measurements

FASB ASC 820, "Fair Value Measurements and Disclosures", provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has specified (contractual) terms, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The investments as of September 30, 2010 and 2009 were measured as Level 1 in accordance with FASB ASC 820.

#### Note 6 - Property, Plant and Equipment

A summary of property, plant and equipment as of September 30, 2010 and 2009 is as follows:

		2010	2009		
Furniture and equipment	\$	704,763	\$	674,953	
Leasehold improvements		3,835		3,835	
		708,598		678,788	
Less: accumulated depreciation		(676,634)	***********	(632,054)	
Total	<u>\$</u>	31,964	\$	46,734	

Depreciation expense for the years ended September 30, 2010 and 2009 amounted to \$31,713 and \$43,986, respectively.

#### Note 7 - Lease Commitment

Effective June 1, 2003, the Association entered into a lease for administrative offices on Liberty Street in Danbury, Connecticut. The term of the lease was for five years with an initial monthly rent of \$8,277, plus real estate taxes. The monthly rent increases 3% annually. In addition, there is an option to renew for an additional five years.

The renewal option had not been formalized as of June 30, 2008, and the monthly rent continued at \$9,316 from June 2008 through September 2008.

Effective October 1, 2008, the monthly rental amount for the first five-year option period was reduced from \$9,316 to \$9,000 for the first twenty months, with future twelve-month periods for the following three years to be increased by 3% each year.

Total rent expense, which is included in space occupancy was \$109,080 and \$108,000 for the years ended September 30, 2010 and 2009, respectively.

As of September 30, 2010, future minimum lease payments under operating leases with initial or remaining non-cancelable terms in excess of one year are as follows.

Year ending September 30:		
2011	\$	112,352
2012		115,723
2013	49400	78,676
Total	\$	306,751

#### Note 8 - Pension Plan

The Association participates in a non-contributory, defined benefit pension plan sponsored by WCH covering substantially all of its employees. Contributions are made to the plan in amounts sufficient to meet ERISA's minimum funding requirements. Pension expense for the years ended September 30, 2010 and 2009 was \$267,444 and \$188,376, respectively.

The Association also contributes to a tax sheltered annuity plan for the Executive Director. The expense under this plan for the years ended September 30, 2010 and 2009 was \$8,820.

### Note 9 - Temporarily Restricted Net Assets

At September 30, 2010 and 2009, temporarily restricted net assets of \$42,554 and \$21,156, respectively, were restricted for use for the Tele-Health monitor program.

### **Note 10 - Related Party Transactions**

The Danbury Hospital (the Hospital), a wholly-owned subsidiary of WCH, provides certain routine health care services to the Association on an ongoing basis. Charges for these services for the years ended September 30, 2010 and 2009 were \$680 and \$1,350, respectively. The Hospital also provided administrative services to the Association totaling \$11,836 and \$11,243 for the years ended September 30, 2010 and 2009. In addition to the aforementioned services, the Hospital pays certain other expenses on behalf of the Association and charges back the cost of these expenses. Accounts payable to the Hospital for services and charge backs amounted to \$152,089 and \$153,932 as of September 30, 2010 and 2009, respectively and are recorded within due to affiliates.

#### Note 11 - Concentrations of Credit Risk

The Association grants credit without collateral to its patients, most of which are local residents and are insured under third-party payer agreements. The mix of receivables from patients and third-party payers is as follows, as of September 30, 2010 and 2009:

	2010	2009	
Federal programs	57%	62%	
Other third-parties	33%	19%	
State programs	9%	18%	
Patients	1%	1%	
	100%	100%	

#### Note 12 - Functional Expenses

The Association provides home health care services to residents within its geographic location including skilled nursing care, social work, therapy services and home health aide services. Expenses related to providing these services for the years ending September 30, 2010 and 2009, are as follows:

	2010		2009	
Home care services	\$	2,165,866	\$	2,163,505
Public health nursing		921,826		940,464
	······································	3,087,692		3,103,969
General and administrative	<del></del>	1,641,576		1,582,627
Total	<u> </u>	4,729,268	\$	4,686,596

#### Note 13 - Contingencies

The Association invest in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported.

r-				
ľ				
[				
-				
[	-			
ſ				
1				
ſ.				
£				
S.A.	·			
	1			
Lane Control				
3 *** · · · · · · · · · · · · · · · · ·	· *			
	•			
e de la composition della comp				
Parties of the second				
enise				
· ·				
AZ-P	-			
·* :				
T - 0 4				
لاختاص				
فيه مجور				
, And				
žeti t				