

**§ 58-64A-200. Contents of annual audited financial statements.**

(a) The annual audited financial statements shall report the financial position of the provider as of the end of the most recent fiscal year and the results of its operations, cash flows, and changes in equity or net assets for the year then ended. The audited financial statements shall be comparative, presenting the amounts as of the end of the most current year-end and the amounts as of the immediately preceding year-end. However, in the first year in which a provider is required to file audited financial statements, the comparative data may be omitted.

(b) The audited financial statements shall include the following:

- (1) Report of independent certified public accountant.
- (2) Balance sheet reporting assets, liabilities, and net assets or equity.
- (3) Statement of operations.
- (4) Statement of cash flows.
- (5) Statement of changes in net assets or equity.
- (6) Notes to financial statements.

(c) The audited financial statements shall be prepared in accordance with one of the following requirements:

- (1) If a provider is required by generally accepted accounting principles to have their financial statements consolidated with other persons, the audited consolidated financial statements shall include a consolidating balance sheet, a consolidating statement of operations and changes in net assets or equity, and a consolidating statement of cash flows as supplemental information to the audited consolidated financial statements. This supplemental information shall also include a statement of operations for each continuing care retirement community operated by the provider under this Article.
- (2) If the provider includes one or more persons acting in concert to offer and provide continuing care, the audited financial statements shall be combined and shall include a combining balance sheet, a combining statement of operations and changes in net assets or equity, and a combining statement of cash flows as supplemental information to the audited combined financial statements. This supplemental information shall also include a statement of operations for each continuing care retirement community operated by the provider under this Article.
- (3) If a provider is part of an obligated group, the audited financial statements shall be either consolidated or combined with the other members of the obligated group and shall include a combining or consolidating balance sheet, a combining or consolidating statement of operations and changes in net assets or equity, and a combining or consolidating statement of cash flows as supplemental information to the audited combined or consolidated financial statements. This supplemental information shall also include a statement of operations for each continuing care retirement community operated by the provider under this Article.
- (4) If the provider is not required by generally accepted accounting principles to have their financial statements consolidated with other persons, does not include one or more persons acting in concert to offer and provide continuing care, and is not part of an obligated group, then the audited financial statements shall be a stand-alone financial audit of the provider. The audited financial statements must include as supplemental information, if the provider operates more than one continuing care retirement community or has operations that are separate and distinct from the operation of a continuing care retirement community or communities under this Article, a statement of

operations for each continuing care retirement community operated by the provider under this Article.

(d) If a provider is also licensed to provide continuing care at home, the audited financial statements shall account for the related revenue and expenses generated from the continuing care at home program separate from the provider's other operations when providing the information required by this section. (2025-58, s. 2.)