

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Financial Position

April 30, 2022 and December 31, 2021

	<u>April 30, 2022</u>	<u>December 31, 2021</u>
Assets		
Cash and cash equivalents	\$ 155,362	\$ 3,231,435
Investments	1,583,434	1,924,740
Restricted deposits and funded reserves	1,890,545	1,890,545
Accounts receivable, net	592,438	605,602
Assets whose use is limited	1,931,203	2,270,200
Property and equipment, net	26,449,497	26,193,280
Other assets	246,278	261,138
	<u>32,848,757</u>	<u>36,376,940</u>
Total assets	<u>\$ 32,848,757</u>	<u>\$ 36,376,940</u>
Liabilities and Net Assets		
Accounts payable	\$ 184,600	\$ 700,487
Accrued expenses	801,814	622,359
Resident deposits	107,680	41,280
Entrance fees payable	12,974,684	12,625,990
Other liabilities	247,255	9,201
Cares act funding liabilities	-	143,010
Long-term debt	13,445,941	13,747,332
Due to affiliated entity	21,706,745	24,448,364
Deferred revenues from entrance fees	4,447,016	4,557,908
	<u>53,915,735</u>	<u>56,895,931</u>
Total liabilities	<u>53,915,735</u>	<u>56,895,931</u>
Net Assets (Deficit)		
Without donor restriction	(21,815,858)	(21,262,786)
With donor restrictions	748,880	743,795
	<u>(21,066,978)</u>	<u>(20,518,991)</u>
Total net deficit	<u>(21,066,978)</u>	<u>(20,518,991)</u>
Total liabilities and net deficit	<u>\$ 32,848,757</u>	<u>\$ 36,376,940</u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Operations and Changes in Net Assets
Period ended April 30, 2022 and year ended December 31, 2021

	<u>April 30, 2022</u>	<u>December 31, 2021</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 4,478,466	\$ 12,806,357
Amortization of entrance fees	325,015	962,791
Total resident services	4,803,481	13,769,148
Contributions, gifts, grants and bequests	3,836	5,979
Government grants	-	1,169,009
Government stimulus	41,162	711,731
Net assets released from restrictions	-	8,389
Total operating revenues and other support	4,848,479	15,664,256
Expenses:		
Nursing services	845,239	2,648,877
Rehabilitation	197,814	647,183
Recreation and special services	135,414	422,229
Pharmacy	24,213	103,839
Social services	23,069	54,384
Physician services	8,333	25,000
Food Services	676,146	2,106,195
Building operations and maintenance	936,577	2,731,106
Housekeeping	141,743	403,310
Laundry and linen	17,690	55,596
General and administrative	773,877	2,158,237
Employee benefits	142,053	481,858
Interest	195,770	614,154
Depreciation	653,789	1,891,504
Fundraising	18,984	52,476
Total expenses	4,790,711	14,395,948
Unusual non-recurring expenses - COVID-19	158,858	202,093
Operating (loss) gain	(101,090)	1,066,215
Other income (loss):		
Investment income, net of investment expense	23,712	115,689
Realized gain on investments	37,070	116,890
Unrealized (loss) gain on investments	(512,764)	115,441
Total other income (loss)	(451,982)	348,020
Revenues (less than) in excess of expenses	(553,072)	1,414,235

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Consolidated Statements of Operations and Changes in Net Assets
Period ended April 30, 2022 and year ended December 31, 2021

	<u>April 30, 2022</u>	<u>December 31, 2021</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	\$ 608	\$ 2,029
Investment income, net of investment expense	4,477	9,989
Net assets released from restrictions	<u>-</u>	<u>(8,389)</u>
Increase in net assets with donor restrictions	<u>5,085</u>	<u>3,629</u>
Change in net assets	(547,987)	1,417,864
Net Deficit, Beginning	<u>(20,518,991)</u>	<u>(21,936,855)</u>
Net Deficit, Ending	<u><u>\$ (21,066,978)</u></u>	<u><u>\$ (20,518,991)</u></u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Cash Flows

Period ended April 30, 2022 and year ended December 31, 2021

	<u>April 30, 2022</u>	<u>December 31, 2021</u>
Cash Flows From Operating Activities		
(Decrease) increase in net assets	\$ (547,987)	\$ 1,417,864
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	653,789	1,891,504
Provision for doubtful collections	597	(41,237)
Proceeds from non-refundable entrance fees and deposits	341,600	1,207,040
Amortization of entrance fees	(325,015)	(962,791)
Unrealized loss (gain) on investments	512,764	(115,441)
Realized gain on investments	(37,070)	(116,890)
Amortization of deferred financing costs	8,673	26,018
Changes in assets and liabilities:		
Accounts receivable	118,946	138,210
Entrance fees receivable	(106,380)	206,673
Other assets	14,860	50,662
Accounts payable	(515,887)	234,019
Accrued expenses	179,455	25,736
Other liabilities	238,054	(54,764)
Cares act funding liabilities	(143,010)	(235,217)
Net cash provided by operating activities	<u>393,390</u>	<u>3,671,386</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(910,006)	(1,833,135)
Purchases of investments	(260,939)	(634,175)
Proceeds from sale of investments	465,548	500,104
Net cash used in investing activities	<u>(705,397)</u>	<u>(1,967,206)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(242,683)	(2,664,899)
Proceeds from refundable entrance fees and deposits, resales	530,300	1,610,610
Principal payments on long-term debt	(310,064)	(902,000)
Change in due to affiliated entity	(2,741,619)	46,035
Net cash (used in) financing activities	<u>(2,764,066)</u>	<u>(1,910,254)</u>
Net change in cash, cash equivalents and restricted cash	(3,076,073)	(206,074)
Cash, Cash Equivalents and Restricted Cash, Beginning	<u>4,777,073</u>	<u>4,983,147</u>
Cash, Cash Equivalents and Restricted Cash, Ending		
Unrestricted	\$ 155,362	\$ 3,231,435
Restricted	<u>1,545,638</u>	<u>1,545,638</u>
	<u>\$ 1,701,000</u>	<u>\$ 4,777,073</u>