

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Financial Position

December 31, 2022 and December 31, 2021

	<u>December 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
Assets		
Cash and cash equivalents	\$ 153,142	\$ 3,231,435
Investments	1,390,051	1,924,740
Restricted deposits and funded reserves	1,871,764	1,890,545
Accounts receivable, net	827,255	605,602
Assets whose use is limited	744,749	2,270,200
Property and equipment, net	26,180,663	26,193,280
Other assets	449,572	261,138
	<u>31,617,196</u>	<u>36,376,940</u>
Total assets	<u>\$ 31,617,196</u>	<u>\$ 36,376,940</u>
Liabilities and Net Assets		
Accounts payable	\$ 479,761	\$ 700,487
Accrued expenses	546,946	622,359
Resident deposits	29,800	41,280
Entrance fees payable	13,541,497	12,625,990
Other liabilities	431,426	9,201
Cares act funding liabilities	-	143,010
Long-term debt	12,857,709	13,747,332
Due to affiliated entity	19,992,774	24,448,364
Deferred revenues from entrance fees	4,503,408	4,557,908
	<u>52,383,321</u>	<u>56,895,931</u>
Total liabilities	<u>52,383,321</u>	<u>56,895,931</u>
Net Assets (Deficit)		
Without donor restriction	(21,500,762)	(21,262,786)
With donor restrictions	734,637	743,795
	<u>(20,766,125)</u>	<u>(20,518,991)</u>
Total net deficit	<u>(20,766,125)</u>	<u>(20,518,991)</u>
Total liabilities and net deficit	<u>\$ 31,617,196</u>	<u>\$ 36,376,940</u>

Presbyterian Senior Living Services, Inc.

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

	December 31, 2022	December 31, 2021
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 13,883,664	\$ 12,806,357
Amortization of entrance fees	1,104,648	962,791
Total resident services	14,988,312	13,769,148
Contributions, gifts, grants and bequests	10,080	5,979
Government grants	-	1,169,009
Government stimulus	92,529	711,731
Net assets released from restrictions	36,672	8,389
Total operating revenues and other support	15,127,593	15,664,256
Expenses:		
Nursing services	2,693,262	2,648,877
Rehabilitation	624,779	647,183
Recreation and special services	464,630	422,229
Pharmacy	92,311	103,839
Social services	68,985	54,384
Physician services	25,000	25,000
Food Services	2,106,172	2,106,195
Building operations and maintenance	2,599,675	2,731,106
Housekeeping	419,666	403,310
Laundry and linen	57,634	55,596
General and administrative	2,271,935	2,158,237
Employee benefits	420,841	481,858
Interest	656,279	614,154
Depreciation	2,024,714	1,891,504
Fundraising	53,532	52,476
Total expenses	14,579,415	14,395,948
Unusual non-recurring expenses - COVID-19	156,271	202,093
Operating (loss) gain	391,907	1,066,215
Other income (loss):		
Investment income, net of investment expense	88,612	115,689
Realized gain on investments	148,514	116,890
Unrealized (loss) gain on investments	(884,857)	115,441
Total other income (loss)	(647,731)	348,020
Revenues (less than) in excess of expenses	(255,824)	1,414,235
Grant revenue - capital	17,848	-
Decrease in net assets without donor restrictions	(237,976)	1,414,235

Presbyterian Senior Living Services, Inc.

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

	<u>December 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	\$ 9,569	\$ 2,029
Investment income, net of investment expense	17,945	9,989
Net assets released from restrictions	<u>(36,672)</u>	<u>(8,389)</u>
 Increase in net assets with donor restrictions	 <u>(9,158)</u>	 <u>3,629</u>
 Change in net assets	 (247,134)	 1,417,864
Net Deficit, Beginning	<u>(20,518,991)</u>	<u>(21,936,855)</u>
Net Deficit, Ending	<u><u>\$ (20,766,125)</u></u>	<u><u>\$ (20,518,991)</u></u>

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Presbyterian Senior Living Services, Inc.

Consolidated Statements of Cash Flows

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Cash Flows From Operating Activities		
(Decrease) increase in net assets	\$ (247,134)	\$ 1,417,864
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	2,024,714	1,891,504
Provision for doubtful collections	(592)	(41,237)
Proceeds from non-refundable entrance fees and deposits	1,124,208	1,207,040
Amortization of entrance fees	(1,104,648)	(962,791)
Unrealized loss (gain) on investments	884,857	(115,441)
Realized gain on investments	(148,514)	(116,890)
Amortization of deferred financing costs	26,018	26,018
Changes in assets and liabilities:		
Accounts receivable	180,371	138,210
Entrance fees receivable	(401,432)	206,673
Other assets	(188,434)	50,662
Accounts payable	(220,726)	234,019
Accrued expenses	(75,413)	25,736
Other liabilities	422,225	(54,764)
Cares act funding liabilities	(143,010)	(235,217)
Net cash provided by operating activities	<u>2,132,489</u>	<u>3,671,386</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(2,012,097)	(1,833,135)
Purchases of investments	(2,649,285)	(634,175)
Proceeds from sale of investments	<u>2,598,724</u>	<u>500,104</u>
Net cash used in investing activities	<u>(2,062,658)</u>	<u>(1,967,206)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(1,851,660)	(2,664,899)
Proceeds from refundable entrance fees and deposits, resales	2,681,628	1,610,610
Principal payments on long-term debt	(915,641)	(902,000)
Change in due to affiliated entity	<u>(4,455,590)</u>	<u>46,035</u>
Net cash used in financing activities	<u>(4,541,263)</u>	<u>(1,910,254)</u>
Net change in cash, cash equivalents and restricted cash	(4,471,432)	(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	\$ 153,142	\$ 3,231,435
Restricted	<u>152,499</u>	<u>1,545,638</u>
	<u>\$ 305,641</u>	<u>\$ 4,777,073</u>