

# Presbyterian Senior Living Services, Inc.

## Consolidated Statements of Financial Position

July 31, 2021 and December 31, 2020

	<u>July 31, 2021</u>	<u>December 31, 2020</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 328,959	\$ 1,472,762
Investments	1,923,354	1,730,791
Restricted deposits and funded reserves	1,860,545	1,798,120
Accounts receivable, net	732,591	909,248
Assets whose use is limited	3,769,234	4,154,919
Property and equipment, net	25,793,872	26,251,649
Other assets	90,611	311,800
	<u>34,499,166</u>	<u>36,629,289</u>
Total assets	<u>\$ 34,499,166</u>	<u>\$ 36,629,289</u>
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ 126,930	\$ 466,468
Accrued expenses	834,700	596,623
Resident deposits	150,250	89,000
Entrance fees payable	12,934,591	13,655,486
Other liabilities	16,781	63,965
Cares act funding liabilities	1,457,641	378,227
Long-term debt	14,115,395	14,623,314
Due to affiliated entity	22,744,088	24,402,329
Deferred revenues from entrance fees	4,449,323	4,290,732
	<u>56,829,699</u>	<u>58,566,144</u>
Total liabilities	<u>56,829,699</u>	<u>58,566,144</u>
<b>Net Assets (Deficit)</b>		
Without donor restriction	(23,076,176)	(22,677,021)
With donor restrictions	745,643	740,166
	<u>(22,330,533)</u>	<u>(21,936,855)</u>
Total net deficit	<u>(22,330,533)</u>	<u>(21,936,855)</u>
Total liabilities and net deficit	<u>\$ 34,499,166</u>	<u>\$ 36,629,289</u>

## Presbyterian Senior Living Services, Inc.

Consolidated Statements of Operations and Changes in Net Assets  
Period ended July 31, 2021 and year ended December 31, 2020

	<u>July 31, 2021</u>	<u>December 31, 2020</u>
<b>Net Assets Without Donor Restrictions</b>		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 7,302,764	\$ 12,709,178
Amortization of entrance fees	579,776	947,238
Total resident services	7,882,540	13,656,416
Contributions, gifts, grants and bequests	3,324	1,011,652
Government stimulus	42,200	488,522
Net assets released from restrictions	2,027	44,293
Total operating revenues and other support	7,930,091	15,200,883
Expenses:		
Nursing services	1,541,760	2,502,348
Rehabilitation	376,361	715,575
Recreation and special services	245,307	382,365
Pharmacy	44,103	67,881
Social services	40,187	72,787
Physician services	14,583	25,000
Food Services	1,192,897	2,164,412
Building operations and maintenance	1,633,527	2,595,101
Housekeeping	208,589	328,278
Laundry and linen	30,969	58,452
General and administrative	1,238,989	2,501,873
Employee benefits	323,865	589,524
Interest	360,796	577,405
Depreciation	1,097,311	2,276,474
Fundraising	22,033	44,504
Total expenses	8,371,277	14,901,979
Unusual non-recurring expenses - COVID-19	265,910	866,349
Operating loss	(707,096)	(567,445)
Other income (loss):		
Investment income, net of investment expense	41,656	55,776
Realized gain (loss) on investments	30,573	(55,083)
Unrealized gain on investments	235,712	245,909
Total other income	307,941	246,602
Revenues (less than) expenses	(399,155)	(320,843)

## Presbyterian Senior Living Services, Inc.

Consolidated Statements of Operations and Changes in Net Assets  
Period ended July 31, 2021 and year ended December 31, 2020

	<u>July 31, 2021</u>	<u>December 31, 2020</u>
<b>Net Assets With Donor Restrictions</b>		
Contributions, gifts, grants and bequests	\$ 400	\$ 30,390
Investment income, net of investment expense	7,104	28,301
Net assets released from restrictions	<u>(2,027)</u>	<u>(44,293)</u>
 Increase in net assets with donor restrictions	 <u>5,477</u>	 <u>14,398</u>
 Change in net deficit	 (393,678)	 (306,445)
<b>Net Deficit, Beginning</b>	<u>(21,936,855)</u>	<u>(21,630,410)</u>
<b>Net Deficit, Ending</b>	<u><u>\$ (22,330,533)</u></u>	<u><u>\$ (21,936,855)</u></u>

**Presbyterian Senior Living Services, Inc.**

Consolidated Statements of Cash Flows

Period ended July 31, 2021 and year ended December 31, 2020

	<u>July 31, 2021</u>	<u>December 31, 2020</u>
<b>Cash Flows From Operating Activities</b>		
(Decrease) in net deficit	\$ (393,678)	\$ (306,445)
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	1,097,311	2,276,474
Provision for doubtful collections	(20,760)	150,831
Proceeds from non-refundable entrance fees and deposits	824,411	879,553
Amortization of entrance fees	(579,776)	(947,238)
Unrealized gain on investments	(235,712)	(245,909)
Realized (gain) loss on investments	(30,573)	55,083
Amortization of deferred financing costs	15,177	21,905
Changes in assets and liabilities:		
Accounts receivable	263,419	(173,277)
Entrance fees receivable	(66,002)	277,922
Other assets	221,189	53,158
Accounts payable	(339,538)	(294,203)
Accrued expenses	238,077	77,422
Other liabilities	(47,184)	(61,118)
Cares act funding liabilities	1,079,414	378,227
Net cash provided by operating activities	<u>2,025,775</u>	<u>2,142,385</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property and equipment	(639,534)	(1,099,825)
Purchases of investments	(271,273)	(5,340,602)
Proceeds from sale of investments	<u>928,320</u>	<u>5,220,285</u>
Net cash provided by (used in) investing activities	<u>17,513</u>	<u>(1,220,142)</u>
<b>Cash Flows From Financing Activities</b>		
Refunds of entrance fees and deposits	(1,615,049)	(2,493,364)
Proceeds from refundable entrance fees and deposits, resales	869,360	1,323,408
Principal payments on long-term debt	(523,096)	(796,664)
Proceeds from issuance of long-term debt	-	4,000,000
Financing costs incurred	-	(69,103)
Change in due to affiliated entity	<u>(1,658,241)</u>	<u>1,434,661</u>
Net cash (used in) provided by financing activities	<u>(2,927,026)</u>	<u>3,398,938</u>
Net change in cash, cash equivalents and restricted cash	(883,738)	4,321,181
<b>Cash, Cash Equivalents and Restricted Cash, Beginning</b>	<u>4,983,147</u>	<u>661,966</u>
<b>Cash, Cash Equivalents and Restricted Cash, Ending</b>		
Unrestricted	\$ 328,959	\$ 1,472,762
Restricted	<u>3,770,450</u>	<u>3,510,385</u>
	<u>\$ 4,099,409</u>	<u>\$ 4,983,147</u>