

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Financial Position

March 31, 2022 and December 31, 2021

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Assets		
Cash and cash equivalents	\$ 509,542	\$ 3,231,435
Investments	1,725,866	1,924,740
Restricted deposits and funded reserves	1,890,545	1,890,545
Accounts receivable, net	541,707	605,602
Assets whose use is limited	1,998,520	2,270,200
Property and equipment, net	26,296,026	26,193,280
Other assets	267,742	261,138
	<u>33,229,948</u>	<u>36,376,940</u>
Total assets	<u>\$ 33,229,948</u>	<u>\$ 36,376,940</u>
Liabilities and Net Assets		
Accounts payable	\$ 403,980	\$ 700,487
Accrued expenses	863,745	622,359
Resident deposits	84,430	41,280
Entrance fees payable	12,939,940	12,625,990
Other liabilities	122,418	9,201
Cares act funding liabilities	53,931	143,010
Long-term debt	13,520,551	13,747,332
Due to affiliated entity	21,648,716	24,448,364
Deferred revenues from entrance fees	4,505,694	4,557,908
	<u>54,143,405</u>	<u>56,895,931</u>
Total liabilities	<u>54,143,405</u>	<u>56,895,931</u>
Net Assets (Deficit)		
Without donor restriction	(21,662,337)	(21,262,786)
With donor restrictions	748,880	743,795
	<u>(20,913,457)</u>	<u>(20,518,991)</u>
Total net deficit	<u>(20,913,457)</u>	<u>(20,518,991)</u>
Total liabilities and net deficit	<u>\$ 33,229,948</u>	<u>\$ 36,376,940</u>

Presbyterian Senior Living Services, Inc.

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

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 3,365,438	\$ 12,806,357
Amortization of entrance fees	220,108	962,791
Total resident services	3,585,546	13,769,148
Contributions, gifts, grants and bequests	80	5,979
Government grants	-	1,169,009
Government stimulus	-	711,731
Net assets released from restrictions	-	8,389
Total operating revenues and other support	3,585,626	15,664,256
Expenses:		
Nursing services	649,996	2,648,877
Rehabilitation	146,750	647,183
Recreation and special services	99,240	422,229
Pharmacy	18,355	103,839
Social services	17,086	54,384
Physician services	6,250	25,000
Food Services	505,166	2,106,195
Building operations and maintenance	724,197	2,731,106
Housekeeping	106,427	403,310
Laundry and linen	12,173	55,596
General and administrative	574,619	2,158,237
Employee benefits	103,714	481,858
Interest	144,943	614,154
Depreciation	490,569	1,891,504
Fundraising	14,238	52,476
Total expenses	3,613,723	14,395,948
Unusual non-recurring expenses - COVID-19	129,217	202,093
Operating (loss) gain	(157,314)	1,066,215
Other income (loss):		
Investment income, net of investment expense	19,970	115,689
Realized gain on investments	36,852	116,890
Unrealized (loss) gain on investments	(299,059)	115,441
Total other income (loss)	(242,237)	348,020
Revenues (less than) in excess of expenses	(399,551)	1,414,235

Presbyterian Senior Living Services, Inc.

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

	<u>March 31, 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	(394,466)	1,417,864
Net Deficit, Beginning	<u>(20,518,991)</u>	<u>(21,936,855)</u>
Net Deficit, Ending	<u><u>\$ (20,913,457)</u></u>	<u><u>\$ (20,518,991)</u></u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Cash Flows

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

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Cash Flows From Operating Activities		
(Decrease) increase in net assets	\$ (394,466)	\$ 1,417,864
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	490,569	1,891,504
Provision for doubtful collections	4,737	(41,237)
Proceeds from non-refundable entrance fees and deposits	228,751	1,207,040
Amortization of entrance fees	(220,108)	(962,791)
Unrealized loss (gain) on investments	299,059	(115,441)
Realized gain on investments	(36,852)	(116,890)
Amortization of deferred financing costs	6,504	26,018
Changes in assets and liabilities:		
Accounts receivable	4,258	138,210
Entrance fees receivable	54,900	206,673
Other assets	(6,604)	50,662
Accounts payable	(296,507)	234,019
Accrued expenses	241,386	25,736
Other liabilities	113,217	(54,764)
Cares act funding liabilities	(89,079)	(235,217)
Net cash provided by operating activities	<u>399,765</u>	<u>3,671,386</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(593,315)	(1,833,135)
Purchases of investments	(170,321)	(634,175)
Proceeds from sale of investments	<u>378,668</u>	<u>500,104</u>
Net cash used in investing activities	<u>(384,968)</u>	<u>(1,967,206)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(144,457)	(2,664,899)
Proceeds from refundable entrance fees and deposits, resales	440,700	1,610,610
Principal payments on long-term debt	(233,285)	(902,000)
Change in due to affiliated entity	<u>(2,799,648)</u>	<u>46,035</u>
Net cash (used in) financing activities	<u>(2,736,690)</u>	<u>(1,910,254)</u>
Net change in cash, cash equivalents and restricted cash	(2,721,893)	(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	\$ 509,542	\$ 3,231,435
Restricted	<u>1,545,638</u>	<u>1,545,638</u>
	<u>\$ 2,055,180</u>	<u>\$ 4,777,073</u>