

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

Statements of Financial Position

May 31, 2020 and December 31, 2019

<b>Assets</b>	<b>May 31, 2020</b>	<b>December 31, 2019</b>
Cash and cash equivalents	\$ 172,070	537,221
Investments	1,000,000	1,000,000
Restricted deposits and funded reserves	2,127,562	2,208,365
Accounts receivable, net	1,158,450	1,164,724
Prepaid expenses and other current assets	117,535	264,736
Assets whose use is limited	680,900	778,682
Promises to give, net	2,600	1,000
Property and equipment (net of accumulated depreciation of \$40,123,849 and \$39,183,624 respectively)	26,751,994	27,428,298
Financing leases (net of accumulated depreciation of \$26,325 and \$20,342 respectively)	16,753	22,736
Assets under operating leases	<u>58,295</u>	<u>76,486</u>
Total assets	<u>\$ 32,086,158</u>	<u>33,482,248</u>

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

Statements of Financial Position

May 31, 2020 and December 31, 2019

<b>Liabilities and Net Liabilities</b>	<b>May 31, 2020</b>	<b>December 31, 2019</b>
Accounts payable	\$ 258,451	760,670
Accrued expenses	510,534	519,201
Resident deposits	31,000	65,267
Entrance fee payable	14,418,868	14,777,610
Deferred revenue - other	684,063	—
Deferred revenue – entrance fees	4,404,337	4,429,982
Annuities payable	23,692	25,173
Obligations under financing leases	17,414	23,425
Obligations under operating lease	58,295	76,486
Long-term debt	11,214,607	11,467,176
Due to affiliated entities	21,342,157	22,967,668
Total liabilities	<u>52,963,418</u>	<u>55,112,658</u>
Net liabilities:		
Without donor restriction	(21,612,147)	(22,355,928)
With donor restriction	734,887	725,518
Total net liabilities	<u>(20,877,260)</u>	<u>(21,630,410)</u>
Total liabilities and net liabilities	<u>\$ 32,086,158</u>	<u>33,482,248</u>

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

Consolidated Statements of Operations and Changes in Net Assets (Liabilities)

Periods ended May 31, 2020 and year ended December 31, 2019

	<u>May 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Revenues and other support:		
Resident services		
Resident services	\$ 5,919,482	14,203,978
Amortization of entrance fees	337,675	869,859
Implicit price concession	<u>(22,955)</u>	<u>(25,714)</u>
Total resident services	6,234,202	15,048,123
Gifts and bequests	16,891	3,297
Government stimulus	112,192	-
Net assets released from restrictions	<u>500</u>	<u>6,518</u>
Total revenues and other support	<u>6,363,786</u>	<u>15,057,938</u>
Cost of services provided		
Nursing services	1,089,791	2,504,737
Rehabilitation	304,716	707,066
Recreation and special services	152,933	519,844
Pharmacy	20,167	101,451
Social services	30,531	71,166
Physician services	10,417	25,000
Food services	904,973	2,139,128
Building operations and maintenance	1,099,292	2,468,938
Housekeeping	144,459	360,250
Laundry and linen	29,096	63,979
General and administrative	1,160,811	1,915,299
Employee benefits	272,679	555,262
Depreciation	946,208	2,241,480
Interest	205,075	519,723
Fundraising	<u>18,018</u>	<u>51,771</u>
Total cost of services provided	<u>6,389,166</u>	<u>14,245,094</u>
(Deficit) excess of revenues and other support over expenses	(25,381)	812,844
Other (expense) income		
Investment income, net of investment expense	13,108	113,030
Realized (loss) gain on investments	(105,017)	17,526
Unrealized (loss) gain on investments	<u>(97,647)</u>	<u>428,608</u>
Total other (expense) income	<u>(189,555)</u>	<u>559,164</u>
(Deficit) excess of revenue, gains and other support over expenses and losses	(214,936)	1,372,008

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

Consolidated Statements of Operations and Changes in Net Assets (Liabilities)

Periods ended May 31, 2020 and year ended December 31, 2019

	<u>May 31, 2020</u>	<u>December 31, 2019</u>
Net assets without donor restrictions:		
(Deficit) excess of revenue, gains and other support over expenses and losses	(214,936)	1,372,008
Loan forgiveness	958,717	—
Change in net assets without donor restrictions	743,781	1,372,008
Net assets with donor restrictions:		
Contributions, grants and bequests	2,924	29,228
Investment income, net of investment expense	6,945	26,553
Net assets released from restrictions	(500)	(6,518)
Change in net assets with donor restrictions	9,369	49,263
Change in net assets	753,150	1,421,271
Net liabilities, beginning of year	(21,630,410)	(23,051,681)
Net liabilities, end of year	<u>\$ (20,877,260)</u>	<u>(21,630,410)</u>

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

Statements of Cash Flows

Periods ended May 31, 2020 and year ended December 31, 2019

	<b>May 31, 2020</b>	<b>December 31, 2019</b>
	<u>                    </u>	<u>                    </u>
Cash flows from operating activities:		
Change in net assets	\$ 753,150	1,421,271
Adjustments to reconcile change in net liabilities to net cash provided by operating activities:		
Depreciation	946,208	2,241,480
Provision for implicit price concession and bad debt	30,977	30,533
Proceeds from refundable entrance fees and deposits	952,644	3,027,804
Amortization of entrance fees	(337,675)	(869,859)
Loan forgiveness	(958,717)	—
Unrealized loss (gain) on investments	97,647	(428,608)
Realized loss (gain) on investments	105,017	(17,526)
Amortization on deferred financing costs	6,728	16,146
Change in assets and liabilities:		
Accounts receivable	(276,348)	(133,101)
Entrance fees receivable	251,645	(282,196)
Promise to give	(1,600)	3,000
Prepaid expenses and other current assets	147,201	(48,410)
Accounts payable	(502,219)	(270,194)
Accrued expenses and deferred revenue other	675,397	31,040
Net cash provided by operating activities	<u>1,890,055</u>	<u>4,721,380</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(263,921)	(1,577,422)
Net purchase of investments	<u>(24,077)</u>	<u>(799,089)</u>
Net cash used in investing activities	(287,998)	(2,376,511)
Cash flows from financing activities:		
Refunds of entrance fees and deposits	(674,882)	(2,230,837)
Change in entrance fee payable	(358,742)	652,503
Principal payments on long-term debt	(301,480)	(702,256)
Proceeds on the issuance of debt	1,000,900	—
Repayments on financing lease obligations	(6,011)	(13,996)
Change in annuities payable	(1,481)	(90)
Change in due to affiliated entity	<u>(1,625,511)</u>	<u>(322,856)</u>
Net cash used in financing activities	<u>(1,967,208)</u>	<u>(2,617,532)</u>
Net decrease in cash and cash equivalents	(365,151)	(272,663)
Cash, cash equivalents and restricted cash, beginning of year	661,966	934,629
Cash, cash equivalents and restricted cash, end of year		
Unrestricted	172,070	537,221
Restricted	124,745	124,745
Cash and cash equivalents, end of year	<u>\$ 296,815</u>	<u>661,966</u>