

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Financial Position

May 31, 2021 and December 31, 2020

	<u>May 31, 2021</u>	<u>December 31, 2020</u>
Assets		
Cash and cash equivalents	\$ 156,897	\$ 1,472,762
Investments	1,860,751	1,730,791
Restricted deposits and funded reserves	1,860,545	1,798,120
Accounts receivable, net	742,319	909,248
Assets whose use is limited	3,755,216	4,154,919
Property and equipment, net	25,885,491	26,251,649
Other assets	134,455	311,800
	<u>34,395,674</u>	<u>36,629,289</u>
Total assets	<u>\$ 34,395,674</u>	<u>\$ 36,629,289</u>
Liabilities and Net Assets		
Accounts payable	\$ 270,588	\$ 466,468
Accrued expenses	923,331	596,623
Resident deposits	134,810	89,000
Entrance fees payable	13,466,267	13,655,486
Other liabilities	42,692	63,965
Cares act funding liabilities	1,485,594	378,227
Long-term debt	14,261,098	14,623,314
Due to affiliated entity	21,755,687	24,402,329
Deferred revenues from entrance fees	4,266,021	4,290,732
	<u>56,606,088</u>	<u>58,566,144</u>
Total liabilities	<u>56,606,088</u>	<u>58,566,144</u>
Net Assets (Deficit)		
Without donor restriction	(22,953,649)	(22,677,021)
With donor restrictions	743,235	740,166
	<u>(22,210,414)</u>	<u>(21,936,855)</u>
Total net deficit	<u>(22,210,414)</u>	<u>(21,936,855)</u>
Total liabilities and net deficit	<u>\$ 34,395,674</u>	<u>\$ 36,629,289</u>

Presbyterian Senior Living Services, Inc.

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

	<u>May 31, 2021</u>	<u>December 31, 2020</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 5,223,239	\$ 12,709,178
Amortization of entrance fees	478,478	947,238
Total resident services	5,701,717	13,656,416
Contributions, gifts, grants and bequests	880	1,011,652
Government Stimulus	42,200	488,522
Net assets released from restrictions	2,027	44,293
Total operating revenues and other support	5,746,824	15,200,883
Expenses:		
Nursing services	1,114,501	2,502,348
Rehabilitation	268,239	715,575
Recreation and special services	172,918	382,365
Pharmacy	29,840	67,881
Social services	30,589	72,787
Physician services	10,417	25,000
Food Services	841,854	2,164,412
Building operations and maintenance	1,203,801	2,595,101
Housekeeping	135,600	328,278
Laundry and linen	23,572	58,452
General and administrative	845,086	2,501,873
Employee benefits	241,624	589,524
Interest	259,324	577,405
Depreciation	783,490	2,276,474
Fundraising	21,920	44,504
Total expenses	5,982,775	14,901,979
Unusual non-recurring expenses - COVID-19	263,239	866,349
Operating loss	(499,190)	(567,445)
Other income (loss):		
Investment income, net of investment expense	28,904	55,776
Realized gain (loss) on investments	18,755	(55,083)
Unrealized (loss) gain on investments	174,903	245,909
Total other income	222,562	246,602
Revenues (less than) expenses	(276,628)	(320,843)

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

	<u>May 31, 2021</u>	<u>December 31, 2020</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	\$ 1,550	\$ 30,390
Investment income, net of investment expense	3,546	28,301
Net assets released from restrictions	<u>(2,027)</u>	<u>(44,293)</u>
Increase in net assets with donor restrictions	<u>3,069</u>	<u>14,398</u>
Change in net deficit	(273,559)	(306,445)
Net Deficit, Beginning	<u>(21,936,855)</u>	<u>(21,630,410)</u>
Net Deficit, Ending	<u><u>\$ (22,210,414)</u></u>	<u><u>\$ (21,936,855)</u></u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Cash Flows

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

	<u>May 31, 2021</u>	<u>December 31, 2020</u>
Cash Flows From Operating Activities		
(Decrease) in net deficit	\$ (273,559)	\$ (306,445)
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	783,490	2,276,474
Provision for doubtful collections	(35,987)	150,831
Proceeds from non-refundable entrance fees and deposits	524,370	879,553
Amortization of entrance fees	(478,478)	(947,238)
Unrealized loss (gain) on investments	(174,903)	(245,909)
Realized (gain) loss on investments	(18,755)	55,083
Amortization of deferred financing costs	10,841	21,905
Changes in assets and liabilities:		
Accounts receivable	236,558	(173,277)
Entrance fees receivable	(33,642)	277,922
Other assets	177,345	53,158
Accounts payable	(195,880)	(294,203)
Accrued expenses	326,708	77,422
Other liabilities	(21,273)	(61,118)
Cares act funding liabilities	1,107,367	378,227
Net cash provided by operating activities	<u>1,934,202</u>	<u>2,142,385</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(417,332)	(1,099,825)
Purchases of investments	(111,723)	(5,340,602)
Proceeds from sale of investments	<u>772,764</u>	<u>5,220,285</u>
Net cash provided by (used in) investing activities	<u>243,709</u>	<u>(1,220,142)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(692,572)	(2,493,364)
Proceeds from refundable entrance fees and deposits, resales	478,560	1,323,408
Principal payments on long-term debt	(373,057)	(796,664)
Proceeds from issuance of long-term debt	-	4,000,000
Financing costs incurred	-	(69,103)
Change in due to affiliated entity	<u>(2,646,642)</u>	<u>1,434,661</u>
Net cash (used in) provided by financing activities	<u>(3,233,711)</u>	<u>3,398,938</u>
Net change in cash, cash equivalents and restricted cash	(1,055,800)	4,321,181
Cash, Cash Equivalents and Restricted Cash, Beginning	<u>4,983,147</u>	<u>661,966</u>
Cash, Cash Equivalents and Restricted Cash, Ending		
Unrestricted	\$ 156,897	\$ 1,472,762
Restricted	<u>3,770,450</u>	<u>3,510,385</u>
	<u>\$ 3,927,347</u>	<u>\$ 4,983,147</u>