

# Presbyterian Senior Living Services, Inc.

Consolidated Statements of Financial Position

May 31, 2022 and December 31, 2021

	<u>May 31, 2022</u>	<u>December 31, 2021</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 954,150	\$ 3,231,435
Investments	1,591,170	1,924,740
Restricted deposits and funded reserves	1,890,545	1,890,545
Accounts receivable, net	813,696	605,602
Assets whose use is limited	1,362,310	2,270,200
Property and equipment, net	26,330,345	26,193,280
Other assets	306,215	261,138
	<u>33,248,431</u>	<u>36,376,940</u>
Total assets	<u>\$ 33,248,431</u>	<u>\$ 36,376,940</u>
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ 244,933	\$ 700,487
Accrued expenses	815,788	622,359
Resident deposits	216,250	41,280
Entrance fees payable	13,313,098	12,625,990
Other liabilities	259,144	9,201
Cares act funding liabilities	-	143,010
Long-term debt	13,367,434	13,747,332
Due to affiliated entity	21,403,110	24,448,364
Deferred revenues from entrance fees	4,557,638	4,557,908
	<u>54,177,395</u>	<u>56,895,931</u>
Total liabilities	<u>54,177,395</u>	<u>56,895,931</u>
<b>Net Assets (Deficit)</b>		
Without donor restriction	(21,677,844)	(21,262,786)
With donor restrictions	748,880	743,795
	<u>(20,928,964)</u>	<u>(20,518,991)</u>
Total net deficit	<u>(20,928,964)</u>	<u>(20,518,991)</u>
Total liabilities and net deficit	<u>\$ 33,248,431</u>	<u>\$ 36,376,940</u>

## Presbyterian Senior Living Services, Inc.

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

	<u>May 31, 2022</u>	<u>December 31, 2021</u>
<b>Net Assets Without Donor Restrictions</b>		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 5,741,533	\$ 12,806,357
Amortization of entrance fees	370,543	962,791
Total resident services	6,112,076	13,769,148
Contributions, gifts, grants and bequests	6,241	5,979
Government grants	-	1,169,009
Government stimulus	41,162	711,731
Net assets released from restrictions	-	8,389
Total operating revenues and other support	<u>6,159,479</u>	<u>15,664,256</u>
Expenses:		
Nursing services	1,081,202	2,648,877
Rehabilitation	255,726	647,183
Recreation and special services	175,350	422,229
Pharmacy	32,894	103,839
Social services	29,012	54,384
Physician services	10,417	25,000
Food Services	830,713	2,106,195
Building operations and maintenance	1,154,642	2,731,106
Housekeeping	175,701	403,310
Laundry and linen	22,254	55,596
General and administrative	929,367	2,158,237
Employee benefits	176,829	481,858
Interest	246,162	614,154
Depreciation	817,035	1,891,504
Fundraising	23,730	52,476
Total expenses	<u>5,961,034</u>	<u>14,395,948</u>
Unusual non-recurring expenses - COVID-19	<u>187,198</u>	<u>202,093</u>
Operating (loss) gain	<u>11,247</u>	<u>1,066,215</u>
Other income (loss):		
Investment income, net of investment expense	27,651	115,689
Realized gain on investments	63,111	116,890
Unrealized (loss) gain on investments	<u>(517,067)</u>	<u>115,441</u>
Total other income (loss)	<u>(426,305)</u>	<u>348,020</u>
Revenues (less than) in excess of expenses	<u>(415,058)</u>	<u>1,414,235</u>

**Presbyterian Senior Living Services, Inc.**

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

	<u>May 31, 2022</u>	<u>December 31, 2021</u>
<b>Net Assets With Donor Restrictions</b>		
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	(409,973)	1,417,864
<b>Net Deficit, Beginning</b>	<u>(20,518,991)</u>	<u>(21,936,855)</u>
<b>Net Deficit, Ending</b>	<u>\$ (20,928,964)</u>	<u>\$ (20,518,991)</u>

**Presbyterian Senior Living Services, Inc.**

Consolidated Statements of Cash Flows

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

	<u>May 31, 2022</u>	<u>December 31, 2021</u>
<b>Cash Flows From Operating Activities</b>		
(Decrease) increase in net assets	\$ (409,973)	\$ 1,417,864
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	817,035	1,891,504
Provision for doubtful collections	4,556	(41,237)
Proceeds from non-refundable entrance fees and deposits	606,320	1,207,040
Amortization of entrance fees	(370,543)	(962,791)
Unrealized loss (gain) on investments	517,067	(115,441)
Realized gain on investments	(63,111)	(116,890)
Amortization of deferred financing costs	10,841	26,018
Changes in assets and liabilities:		
Accounts receivable	(18,851)	138,210
Entrance fees receivable	(193,800)	206,673
Other assets	(45,077)	50,662
Accounts payable	(455,554)	234,019
Accrued expenses	193,429	25,736
Other liabilities	249,943	(54,764)
Cares act funding liabilities	(143,010)	(235,217)
Net cash provided by operating activities	<u>699,273</u>	<u>3,671,386</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property and equipment	(954,100)	(1,833,135)
Purchases of investments	(266,056)	(634,175)
Proceeds from sale of investments	<u>1,053,560</u>	<u>500,104</u>
Net cash used in investing activities	<u>(166,596)</u>	<u>(1,967,206)</u>
<b>Cash Flows From Financing Activities</b>		
Refunds of entrance fees and deposits	(249,119)	(2,664,899)
Proceeds from refundable entrance fees and deposits, resales	875,150	1,610,610
Principal payments on long-term debt	(390,739)	(902,000)
Change in due to affiliated entity	<u>(3,045,254)</u>	<u>46,035</u>
Net cash used in financing activities	<u>(2,809,962)</u>	<u>(1,910,254)</u>
Net change in cash, cash equivalents and restricted cash	(2,277,285)	(206,074)
<b>Cash, Cash Equivalents and Restricted Cash, Beginning</b>	<u>4,777,073</u>	<u>4,983,147</u>
<b>Cash, Cash Equivalents and Restricted Cash, Ending</b>		
Unrestricted	\$ 954,150	\$ 3,231,435
Restricted	<u>1,545,638</u>	<u>1,545,638</u>
	<u>\$ 2,499,788</u>	<u>\$ 4,777,073</u>