

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

Statements of Financial Position

November 30, 2019 and December 31, 2018

<b>Assets</b>	<b>November 30, 2019</b>	<b>December 31, 2018</b>
Cash and cash equivalents	\$ 463,737	154,733
Investments	1,000,000	1,000,000
Restricted deposits and funded reserves	2,163,738	1,733,278
Accounts receivable, net	1,530,354	779,960
Prepaid expenses and other current assets	257,597	216,326
Assets whose use is limited	751,516	663,697
Promises to give, net	1,709	4,000
Property and equipment (net of accumulated depreciation of \$38,970,112 and \$36,956,504 respectively)	27,292,487	28,077,997
Financing leases (net of accumulated depreciation of \$106,185 and \$93,022 respectively)	23,932	37,095
Assets under operating leases	<u>74,814</u>	<u>110,100</u>
Total assets	<u>\$ 33,559,883</u>	<u>32,777,186</u>

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

Statements of Financial Position

November 30, 2019 and December 31, 2018

<b>Liabilities and Net Liabilities</b>	<b>November 30, 2019</b>	<b>December 31, 2018</b>
Accounts payable	\$ 348,663	1,030,864
Accrued expenses	579,581	488,161
Resident deposits	75,845	63,230
Entrance fee payable	14,861,144	14,125,107
Deferred revenue – entrance fees	4,340,068	4,504,911
Annuities payable	23,536	25,263
Obligations under financing leases	24,614	37,421
Obligations under operating lease	74,814	110,100
Long-term debt	11,526,042	12,153,286
Due to affiliated entities	23,309,946	23,290,524
Total liabilities	<u>55,164,253</u>	<u>55,828,867</u>
Net liabilities:		
Without donor restriction	(22,317,654)	(23,727,936)
With donor restriction	713,284	676,255
Total net liabilities	<u>(21,604,370)</u>	<u>(23,051,681)</u>
Total liabilities and net liabilities	<u>\$ 33,559,883</u>	<u>32,777,186</u>

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

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

Months ended November 30, 2019 and year ended December 31, 2018

	<u>November 30,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
Revenues and other support:		
Resident services		
Resident services	\$ 13,102,760	13,822,007
Amortization of entrance fees	798,913	918,089
Implicit price concession	(18,947)	(23,118)
Total resident services	<u>13,882,727</u>	<u>14,716,978</u>
Gifts and bequests	14,065	2,031
Net assets released from restrictions	1,518	4,951
Total revenues and other support	<u>13,898,310</u>	<u>14,723,960</u>
Cost of services provided		
Nursing services	2,286,528	2,324,037
Rehabilitation	690,096	631,824
Recreation and special services	466,291	500,804
Pharmacy	97,938	95,856
Social services	65,157	69,657
Physician services	22,917	25,000
Food services	1,928,345	2,097,179
Building operations and maintenance	2,258,389	2,360,881
Housekeeping	325,864	314,761
Laundry and linen	58,207	59,695
General and administrative	1,753,797	1,990,439
Employee benefits	492,771	503,339
Depreciation	2,026,772	2,160,519
Interest	476,778	548,861
Fundraising	34,402	51,089
Total cost of services provided	<u>12,984,253</u>	<u>13,733,941</u>
Excess of revenues and other support over expenses	914,057	990,019
Other income (expense)		
Investment income, net of investment expense	31,417	71,397
Realized gain on investments	17,526	10,945
Unrealized gain (loss) on investments	447,282	(328,954)
Total other income (expense)	<u>496,225</u>	<u>(246,612)</u>
Excess of revenue, gains and other support over expenses and losses	1,410,282	743,407

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

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

Months ended November 30, 2019 and year ended December 31, 2018

	<b>November 30, 2019</b>	<b>December 31, 2018</b>
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	<u>1,410,282</u>	<u>743,407</u>
Change in net assets without donor restrictions	1,410,282	743,407
Net assets with donor restrictions:		
Contributions, grants and bequests	18,849	31,998
Investment income	19,699	24,859
Net assets released from restrictions	<u>(1,518)</u>	<u>(4,951)</u>
Change in net assets with donor restrictions	<u>37,029</u>	<u>51,906</u>
Change in net assets	1,447,311	795,313
Net liabilities, beginning of year	<u>(23,051,681)</u>	<u>(23,846,994)</u>
Net liabilities, end of year	<u>\$ (21,604,370)</u>	<u>(23,051,681)</u>

**PRESBYTERIAN SENIOR LIVING SERVICES, INC.**

Statements of Cash Flows

Months ended November 30, 2019 and year ended December 31, 2018

	<u>November 30,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ 1,447,311	795,313
Adjustments to reconcile change in net liabilities to net cash provided by operating activities:		
Depreciation	2,026,772	2,160,519
Provision for bad debt	13,707	11,108
Proceeds from refundable entrance fees and deposits	2,498,353	3,290,342
Amortization of entrance fees	(798,913)	(918,089)
Unrealized (gain) loss on investments	(447,282)	328,954
Realized gain on investments	(17,526)	(10,945)
Amortization on deferred financing costs	14,801	16,146
Repayments on operating lease obligations	(35,286)	—
Change in assets and liabilities:		
Accounts receivable	(339,799)	(149,544)
Entrance fees receivable	(424,301)	158,731
Promise to give	2,291	(4,000)
Prepaid expenses and other current assets	(41,271)	(14,364)
Accounts payable	(682,201)	648,542
Accrued expenses and deferred revenue other	91,420	(14,321)
Net cash provided by operating activities	<u>3,308,075</u>	<u>6,298,392</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(1,192,813)	(1,480,026)
Net (purchase of) proceeds from the sale of investments	<u>(752,130)</u>	<u>328,962</u>
Net cash used in investing activities	(1,944,942)	(1,151,064)
Cash flows from financing activities:		
Refunds of entrance fees and deposits	(1,851,668)	(2,363,326)
Change in entrance fee payable	736,037	(65,694)
Principal payments on long-term debt	(642,044)	(673,371)
Borrowings under financing leases	—	43,078
Repayments on financing lease obligations	(12,807)	(11,028)
Change in annuities payable	(1,727)	(2,225)
Change in due to affiliated entity	19,422	(1,590,518)
Net cash used in financing activities	<u>(1,752,787)</u>	<u>(4,663,084)</u>
Net (decrease) increase in cash and cash equivalents	(389,655)	484,244
Cash, cash equivalents and restricted cash, beginning of year	934,629	450,385
Cash, cash equivalents and restricted cash, end of year		
Unrestricted	463,737	154,733
Restricted	81,237	779,896
Cash and cash equivalents, end of year	\$ <u><u>544,974</u></u>	<u><u>934,629</u></u>