

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Financial Position

October 31, 2022 and December 31, 2021

	October 31, 2022	December 31, 2021
Assets		
Cash and cash equivalents	\$ 498,495	\$ 3,231,435
Investments	1,290,449	1,924,740
Restricted deposits and funded reserves	1,890,545	1,890,545
Accounts receivable, net	538,210	605,602
Assets whose use is limited	1,356,006	2,270,200
Property and equipment, net	26,251,810	26,193,280
Other assets	520,561	261,138
	<u>32,324,257</u>	<u>36,376,940</u>
Total assets	<u>\$ 32,324,257</u>	<u>\$ 36,376,940</u>
Liabilities and Net Assets		
Accounts payable	\$ 215,177	\$ 700,487
Accrued expenses	763,325	622,359
Resident deposits	323,189	41,280
Entrance fees payable	13,149,220	12,625,990
Other liabilities	254,349	9,201
Cares act funding liabilities	-	143,010
Long-term debt	12,998,797	13,747,332
Due to affiliated entity	21,062,401	24,448,364
Deferred revenues from entrance fees	4,460,217	4,557,908
	<u>53,226,675</u>	<u>56,895,931</u>
Total liabilities	<u>53,226,675</u>	<u>56,895,931</u>
Net Assets (Deficit)		
Without donor restriction	(21,658,941)	(21,262,786)
With donor restrictions	756,523	743,795
	<u>(20,902,418)</u>	<u>(20,518,991)</u>
Total net deficit	<u>(20,902,418)</u>	<u>(20,518,991)</u>
Total liabilities and net deficit	<u>\$ 32,324,257</u>	<u>\$ 36,376,940</u>

Presbyterian Senior Living Services, Inc.

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

	<u>October 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 11,557,832	\$ 12,806,357
Amortization of entrance fees	877,316	962,791
Total resident services	12,435,148	13,769,148
Contributions, gifts, grants and bequests	6,429	5,979
Government grants	-	1,169,009
Government stimulus	54,609	711,731
Net assets released from restrictions	8,879	8,389
Total operating revenues and other support	12,505,065	15,664,256
Expenses:		
Nursing services	2,175,315	2,648,877
Rehabilitation	517,943	647,183
Recreation and special services	375,974	422,229
Pharmacy	75,803	103,839
Social services	57,547	54,384
Physician services	20,833	25,000
Food Services	1,734,917	2,106,195
Building operations and maintenance	2,160,588	2,731,106
Housekeeping	345,495	403,310
Laundry and linen	47,402	55,596
General and administrative	1,901,981	2,158,237
Employee benefits	371,141	481,858
Interest	526,872	614,154
Depreciation	1,653,003	1,891,504
Fundraising	32,861	52,476
Total expenses	11,997,675	14,395,948
Unusual non-recurring expenses - COVID-19	160,613	202,093
Operating (loss) gain	346,777	1,066,215
Other income (loss):		
Investment income, net of investment expense	60,209	115,689
Realized gain on investments	102,812	116,890
Unrealized (loss) gain on investments	(905,953)	115,441
Total other income (loss)	(742,932)	348,020
Revenues (less than) in excess of expenses	(396,155)	1,414,235

Presbyterian Senior Living Services, Inc.

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

	<u>October 31, 2022</u>	<u>December 31, 2021</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	\$ 8,127	\$ 2,029
Investment income, net of investment expense	13,480	9,989
Net assets released from restrictions	<u>(8,879)</u>	<u>(8,389)</u>
Increase in net assets with donor restrictions	<u>12,728</u>	<u>3,629</u>
Change in net assets	(383,427)	1,417,864
Net Deficit, Beginning	<u>(20,518,991)</u>	<u>(21,936,855)</u>
Net Deficit, Ending	<u><u>\$ (20,902,418)</u></u>	<u><u>\$ (20,518,991)</u></u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Cash Flows

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

	<u>October 31, 2022</u>	<u>December 31, 2021</u>
Cash Flows From Operating Activities		
(Decrease) increase in net assets	\$ (383,427)	\$ 1,417,864
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	1,653,003	1,891,504
Provision for doubtful collections	1,307	(41,237)
Proceeds from non-refundable entrance fees and deposits	1,139,759	1,207,040
Amortization of entrance fees	(877,316)	(962,791)
Unrealized loss (gain) on investments	905,953	(115,441)
Realized gain on investments	(102,812)	(116,890)
Amortization of deferred financing costs	21,682	26,018
Changes in assets and liabilities:		
Accounts receivable	172,024	138,210
Entrance fees receivable	(105,940)	206,673
Other assets	(259,423)	50,662
Accounts payable	(485,310)	234,019
Accrued expenses	140,966	25,736
Other liabilities	245,148	(54,764)
Cares act funding liabilities	(143,010)	(235,217)
Net cash provided by operating activities	<u>1,922,605</u>	<u>3,671,386</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(1,711,533)	(1,833,135)
Purchases of investments	(2,568,945)	(634,175)
Proceeds from sale of investments	<u>3,314,289</u>	<u>500,104</u>
Net cash used in investing activities	<u>(944,370)</u>	<u>(1,967,206)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(1,267,045)	(2,664,899)
Proceeds from refundable entrance fees and deposits, resales	1,712,050	1,610,610
Principal payments on long-term debt	(770,217)	(902,000)
Change in due to affiliated entity	<u>(3,385,963)</u>	<u>46,035</u>
Net cash used in financing activities	<u>(3,711,175)</u>	<u>(1,910,254)</u>
Net change in cash, cash equivalents and restricted cash	(2,732,940)	(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	\$ 498,495	\$ 3,231,435
Restricted	<u>1,545,638</u>	<u>1,545,638</u>
	<u>\$ 2,044,133</u>	<u>\$ 4,777,073</u>