

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Financial Position
September 30, 2021 and December 31, 2020

	September 30, 2021	December 31, 2020
Assets		
Cash and cash equivalents	\$ 902,659	\$ 1,472,762
Investments	1,868,383	1,730,791
Restricted deposits and funded reserves	1,860,545	1,798,120
Accounts receivable, net	898,297	909,248
Assets whose use is limited	3,165,760	4,154,919
Property and equipment, net	25,905,324	26,251,649
Other assets	352,480	311,800
	<u>34,953,448</u>	<u>36,629,289</u>
Total assets	<u>\$ 34,953,448</u>	<u>\$ 36,629,289</u>
Liabilities and Net Assets		
Accounts payable	\$ 527,853	\$ 466,468
Accrued expenses	859,554	596,623
Resident deposits	51,270	89,000
Entrance fees payable	13,025,282	13,655,486
Other liabilities	13,325	63,965
Cares act funding liabilities	1,416,683	378,227
Long-term debt	13,970,237	14,623,314
Due to affiliated entity	22,889,223	24,402,329
Deferred revenues from entrance fees	4,681,269	4,290,732
	<u>57,434,696</u>	<u>58,566,144</u>
Total liabilities	<u>57,434,696</u>	<u>58,566,144</u>
Net Assets (Deficit)		
Without donor restriction	(23,227,669)	(22,677,021)
With donor restrictions	746,421	740,166
	<u>(22,481,248)</u>	<u>(21,936,855)</u>
Total net deficit	<u>(22,481,248)</u>	<u>(21,936,855)</u>
Total liabilities and net deficit	<u>\$ 34,953,448</u>	<u>\$ 36,629,289</u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Operations and Changes in Net Assets
Period ended September 30, 2021 and year ended December 31, 2020

	<u>September 30, 2021</u>	<u>December 31, 2020</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 9,541,403	\$ 12,709,178
Amortization of entrance fees	742,581	947,238
Total resident services	10,283,984	13,656,416
Contributions, gifts, grants and bequests	3,431	1,011,652
Government stimulus	42,200	488,522
Net assets released from restrictions	4,818	44,293
Total operating revenues and other support	10,334,433	15,200,883
Expenses:		
Nursing services	1,977,659	2,502,348
Rehabilitation	489,858	715,575
Recreation and special services	320,223	382,365
Pharmacy	59,177	67,881
Social services	47,809	72,787
Physician services	18,750	25,000
Food Services	1,570,590	2,164,412
Building operations and maintenance	2,083,446	2,595,101
Housekeeping	286,613	328,278
Laundry and linen	41,570	58,452
General and administrative	1,637,487	2,501,873
Employee benefits	405,759	589,524
Interest	463,438	577,405
Depreciation	1,412,176	2,276,474
Fundraising	30,801	44,504
Total expenses	10,845,356	14,901,979
Unusual non-recurring expenses - COVID-19	280,770	866,349
Operating loss	(791,693)	(567,445)
Other income (loss):		
Investment income, net of investment expense	58,247	55,776
Realized gain (loss) on investments	49,060	(55,083)
Unrealized gain on investments	133,738	245,909
Total other income	241,045	246,602
Revenues (less than) expenses	(550,648)	(320,843)

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Operations and Changes in Net Assets
Period ended September 30, 2021 and year ended December 31, 2020

	<u>September 30, 2021</u>	<u>December 31, 2020</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	\$ 400	\$ 30,390
Investment income, net of investment expense	10,673	28,301
Net assets released from restrictions	<u>(4,818)</u>	<u>(44,293)</u>
Increase in net assets with donor restrictions	<u>6,255</u>	<u>14,398</u>
Change in net deficit	(544,393)	(306,445)
Net Deficit, Beginning	<u>(21,936,855)</u>	<u>(21,630,410)</u>
Net Deficit, Ending	<u><u>\$ (22,481,248)</u></u>	<u><u>\$ (21,936,855)</u></u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Cash Flows

Period ended September 30, 2021 and year ended December 31, 2020

	<u>September 30, 2021</u>	<u>December 31, 2020</u>
Cash Flows From Operating Activities		
(Decrease) in net deficit	\$ (544,393)	\$ (306,445)
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	1,412,176	2,276,474
Provision for doubtful collections	(5,191)	150,831
Proceeds from non-refundable entrance fees and deposits	1,120,181	879,553
Amortization of entrance fees	(742,581)	(947,238)
Unrealized gain on investments	(133,738)	(245,909)
Realized (gain) loss on investments	(49,060)	55,083
Amortization of deferred financing costs	19,513	21,905
Changes in assets and liabilities:		
Accounts receivable	226,504	(173,277)
Entrance fees receivable	(210,363)	277,922
Other assets	(40,680)	53,158
Accounts payable	61,385	(294,203)
Accrued expenses	262,931	77,422
Other liabilities	(50,640)	(61,118)
Cares act funding liabilities	1,038,456	378,227
Net cash provided by operating activities	<u>2,364,501</u>	<u>2,142,385</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(1,065,851)	(1,099,825)
Purchases of investments	(353,683)	(5,340,602)
Proceeds from sale of investments	<u>1,585,688</u>	<u>5,220,285</u>
Net cash provided by (used in) investing activities	<u>166,154</u>	<u>(1,220,142)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(2,060,707)	(2,493,364)
Proceeds from refundable entrance fees and deposits, resales	1,405,710	1,323,408
Principal payments on long-term debt	(672,590)	(796,664)
Proceeds from issuance of long-term debt	-	4,000,000
Financing costs incurred	-	(69,103)
Change in due to affiliated entity	<u>(1,513,106)</u>	<u>1,434,661</u>
Net cash (used in) provided by financing activities	<u>(2,840,693)</u>	<u>3,398,938</u>
Net change in cash, cash equivalents and restricted cash	(310,038)	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	\$ 902,659	\$ 1,472,762
Restricted	<u>3,770,450</u>	<u>3,510,385</u>
	<u>\$ 4,673,109</u>	<u>\$ 4,983,147</u>