

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Financial Position
September 30, 2022 and December 31, 2021

	September 30, 2022	December 31, 2021
Assets		
Cash and cash equivalents	\$ 283,034	\$ 3,231,435
Investments	1,176,480	1,924,740
Restricted deposits and funded reserves	1,890,545	1,890,545
Accounts receivable, net	629,800	605,602
Assets whose use is limited	1,326,924	2,270,200
Property and equipment, net	26,213,339	26,193,280
Other assets	564,107	261,138
	<u>32,084,229</u>	<u>36,376,940</u>
Total assets	<u>\$ 32,084,229</u>	<u>\$ 36,376,940</u>
Liabilities and Net Assets		
Accounts payable	\$ 359,786	\$ 700,487
Accrued expenses	615,056	622,359
Resident deposits	27,000	41,280
Entrance fees payable	13,274,213	12,625,990
Other liabilities	226,036	9,201
Cares act funding liabilities	-	143,010
Long-term debt	13,070,746	13,747,332
Due to affiliated entity	21,041,383	24,448,364
Deferred revenues from entrance fees	4,586,170	4,557,908
	<u>53,200,390</u>	<u>56,895,931</u>
Total liabilities	<u>53,200,390</u>	<u>56,895,931</u>
Net Assets (Deficit)		
Without donor restriction	(21,872,684)	(21,262,786)
With donor restrictions	756,523	743,795
	<u>(21,116,161)</u>	<u>(20,518,991)</u>
Total net deficit	<u>(21,116,161)</u>	<u>(20,518,991)</u>
Total liabilities and net deficit	<u>\$ 32,084,229</u>	<u>\$ 36,376,940</u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Operations and Changes in Net Assets
Period ended September 30, 2022 and year ended December 31, 2021

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 10,374,940	\$ 12,806,357
Amortization of entrance fees	751,363	962,791
Total resident services	11,126,303	13,769,148
Contributions, gifts, grants and bequests	4,209	5,979
Government grants	-	1,169,009
Government stimulus	47,891	711,731
Net assets released from restrictions	8,879	8,389
Total operating revenues and other support	<u>11,187,282</u>	<u>15,664,256</u>
Expenses:		
Nursing services	1,936,134	2,648,877
Rehabilitation	462,985	647,183
Recreation and special services	336,512	422,229
Pharmacy	70,045	103,839
Social services	51,604	54,384
Physician services	18,750	25,000
Food Services	1,558,255	2,106,195
Building operations and maintenance	1,950,798	2,731,106
Housekeeping	304,837	403,310
Laundry and linen	41,855	55,596
General and administrative	1,702,464	2,158,237
Employee benefits	334,767	481,858
Interest	462,905	614,154
Depreciation	1,490,558	1,891,504
Fundraising	28,115	52,476
Total expenses	<u>10,750,584</u>	<u>14,395,948</u>
Unusual non-recurring expenses - COVID-19	<u>160,613</u>	<u>202,093</u>
Operating (loss) gain	<u>276,085</u>	<u>1,066,215</u>
Other income (loss):		
Investment income, net of investment expense	54,567	115,689
Realized gain on investments	136,413	116,890
Unrealized (loss) gain on investments	<u>(1,076,963)</u>	<u>115,441</u>
Total other income (loss)	<u>(885,983)</u>	<u>348,020</u>
Revenues (less than) in excess of expenses	<u>(609,898)</u>	<u>1,414,235</u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Operations and Changes in Net Assets
Period ended September 30, 2022 and year ended December 31, 2021

	<u>September 30, 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	(597,170)	1,417,864
Net Deficit, Beginning	<u>(20,518,991)</u>	<u>(21,936,855)</u>
Net Deficit, Ending	<u><u>\$ (21,116,161)</u></u>	<u><u>\$ (20,518,991)</u></u>

Presbyterian Senior Living Services, Inc.

Consolidated Statements of Cash Flows

Period ended September 30, 2022 and year ended December 31, 2021

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Cash Flows From Operating Activities		
(Decrease) increase in net assets	\$ (597,170)	\$ 1,417,864
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	1,490,558	1,891,504
Provision for doubtful collections	(277)	(41,237)
Proceeds from non-refundable entrance fees and deposits	843,570	1,207,040
Amortization of entrance fees	(751,363)	(962,791)
Unrealized loss (gain) on investments	1,076,963	(115,441)
Realized gain on investments	(136,413)	(116,890)
Amortization of deferred financing costs	19,513	26,018
Changes in assets and liabilities:		
Accounts receivable	116,298	138,210
Entrance fees receivable	(140,220)	206,673
Other assets	(302,969)	50,662
Accounts payable	(340,701)	234,019
Accrued expenses	(7,303)	25,736
Other liabilities	216,835	(54,764)
Cares act funding liabilities	(143,010)	(235,217)
Net cash provided by operating activities	<u>1,344,313</u>	<u>3,671,386</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(1,510,617)	(1,833,135)
Purchases of investments	(2,338,654)	(634,175)
Proceeds from sale of investments	<u>3,089,640</u>	<u>500,104</u>
Net cash used in investing activities	<u>(759,631)</u>	<u>(1,967,206)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(1,142,052)	(2,664,899)
Proceeds from refundable entrance fees and deposits, resales	1,712,050	1,610,610
Principal payments on long-term debt	(696,099)	(902,000)
Change in due to affiliated entity	<u>(3,406,981)</u>	<u>46,035</u>
Net cash used in financing activities	<u>(3,533,083)</u>	<u>(1,910,254)</u>
Net change in cash, cash equivalents and restricted cash	(2,948,401)	(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	\$ 283,034	\$ 3,231,435
Restricted	<u>1,545,638</u>	<u>1,545,638</u>
	<u>\$ 1,828,672</u>	<u>\$ 4,777,073</u>