

Belmont Manor Nursing Home, Inc.

Balance Sheet

December 31, 2023

Assets

Current assets:

Cash and cash equivalents	\$ 303,974
Patient accounts receivable	1,168,909
Less: allowance for credit losses	(68,892)
Patient accounts receivable, net	1,100,017
Prepaid expenses and other current assets	69,297
Total current assets	1,473,288

Property and equipment

Building and improvements	9,714,998
Furniture, fixtures and equipment	3,046,829
Land improvements	199,006
Land	108,830
Construction in progress	74,538
Software	2,810
Total	13,147,011
Less: accumulated depreciation	8,153,344
Property and equipment, net	4,993,667

Noncurrent assets:

Due from related party	4,201,881
	\$ 10,668,836

Liabilities and Stockholders' Deficit

Current liabilities:

Bank line of credit	\$ 400,000
Current portion of long-term debt	280,737
Accounts payable	1,687,045
Prepaid room and board	216,584
Accrued expenses and other current liabilities	370,393
Due to related party	687,052
Total current liabilities	3,641,811

Long-term liabilities:

Long-term debt, net of current maturities	12,902,247
Other long term liabilities	36,300
Total long-term liabilities	12,938,547

Stockholders' deficit:

Common stock, no par value, 7,500 shares authorized, 74 shares issued and outstanding	3,700
Additional paid in capital	59,200
Accumulated deficit	(5,974,422)
Total stockholders' deficit	(5,911,522)
	\$ 10,668,836

Belmont Manor Nursing Home, Inc.

Statement of Stockholders' Deficit

For the Year Ended December 31, 2023

	Amount	Per Diem
Room and board-private	\$ 13,158,785	
Room and board-public	<u>8,009,216</u>	<u></u>
Total room and board revenue	<u>21,168,001</u>	<u>\$ 450.77</u>
Operating expenses:		
Nursing	8,738,166	186.08
Administrative and general	5,973,135	127.20
Dietary	1,687,366	35.93
Recreational and rehabilitation	1,215,775	25.89
Plant operations	898,085	19.12
Property expenses	705,460	15.02
Housekeeping	693,018	14.76
Laundry and linen	254,284	5.41
Pharmacy and other services	<u>67,375</u>	<u>1.43</u>
Total operating expenses	<u>20,232,664</u>	<u>430.84</u>
Income from operations	<u>935,337</u>	<u>19.93</u>
Other income (expense):		
Interest income	173,452	3.69
Other income	74,448	1.59
Interest expense	<u>(810,239)</u>	<u>(17.25)</u>
Total other income (expense), net	<u>(562,339)</u>	<u>(11.97)</u>
Income before state income taxes	372,998	7.96
State income tax expense - current	<u>(25,000)</u>	<u>(0.53)</u>
Net income	347,998	<u>\$ 7.43</u>
Accumulated deficit, beginning of the year	(6,322,420)	
Stockholder distributions	<u>-</u>	
Accumulated deficit, end of the year	<u>\$ (5,974,422)</u>	

Belmont Manor Nursing Home, Inc.

Statement of Cash Flows

For the Year Ended December 31, 2023 and 2022

Cash flows from operating activities:	
Net income	\$ 347,998
Adjustments to reconcile net income to net cash provided by operating activities:	
Credit loss expense	2,500
Depreciation	277,130
Amortization of debt issuance costs	2,590
Non-cash interest income	(173,015)
Changes in operating assets and liabilities:	
(Increase) decrease in:	
Patient accounts receivable	(295,350)
Prepaid expenses and other current assets	(18,395)
Increase (decrease) in:	
Accounts payable	580,692
Prepaid room and board	36,308
Accrued expenses and other current liabilities	124,237
Net cash provided by operating activities	<u>884,695</u>
Cash flows from investing activities:	
Capital expenditures	(55,844)
Advances to related party	(655,630)
Repayments from related party	79,500
Net cash used in investing activities	<u>(631,974)</u>
Cash flows from financing activities:	
Repayments of long-term debt	(285,058)
Repayments to related party	(129,395)
Net cash used in financing activities	<u>(414,453)</u>
Net decrease in cash and cash equivalents	(161,732)
Cash and cash equivalents at beginning of year	<u>465,706</u>
Cash and cash equivalents at end of year	<u>\$ 303,974</u>
Supplemental disclosure of cash flow information:	
Cash paid during the year for:	
Interest	<u>\$ 808,258</u>
State income taxes	<u>\$ -</u>
Supplemental disclosures of noncash investing and financing activities:	
Interest income added to due from related party	<u>\$ 173,015</u>

Belmont Manor Nursing Home, Inc.

Schedule of Operating Expenses

For the Year Ended December 31, 2023

	<u>Amount</u>	<u>Per Diem</u>
Administrative and General:		
Salaries, administrative	\$ 1,632,654	\$ 34.77
Nursing facility user fee	997,332	21.24
Payroll taxes	983,382	20.94
Employees group insurance	715,201	15.23
Salaries, social service	387,959	8.26
Professional fees	270,874	5.77
Consultants	225,589	4.80
Office supplies	227,496	4.84
Insurance	179,372	3.82
Advertising	97,147	2.07
Travel and automobile expenses	65,958	1.40
Computer supplies	57,691	1.23
Charity	57,535	1.23
Telephone	27,142	0.58
Taxes, other	23,080	0.49
Dues and subscriptions	10,111	0.22
Inspection	4,333	0.09
Retirement plan administration fees	4,175	0.09
Employees benefits	2,668	0.06
Credit loss expense	2,500	0.05
Depreciation - software	936	0.02
Total Administrative and General	<u>\$ 5,973,135</u>	<u>\$ 127.20</u>
Property:		
Depreciation - building and improvements	\$ 238,568	\$ 5.08
Real estate taxes	231,758	4.93
Insurance, building	197,508	4.21
Depreciation - furniture, fixtures and equipment	37,626	0.80
Total Property	<u>\$ 705,460</u>	<u>\$ 15.02</u>
Plant Operations:		
Repairs and maintenance	\$ 313,966	\$ 6.68
Light and heat	254,407	5.42
Water and sewer	179,439	3.82
Salaries	150,273	3.20
Total Plant Operations	<u>\$ 898,085</u>	<u>\$ 19.12</u>

Belmont Manor Nursing Home, Inc.

Schedule of Operating Expenses, Continued

For the Year Ended December 31, 2023

	<u>Amount</u>	<u>Per Diem</u>
Dietary:		
Salaries	\$ 777,752	\$ 16.56
Food	722,236	15.38
Supplies	98,472	2.11
Consultant	88,906	1.88
Total Dietary	<u>\$ 1,687,366</u>	<u>\$ 35.93</u>
Laundry and Linen:		
Salaries	\$ 207,900	\$ 4.42
Supplies	46,384	0.99
Total Laundry and Linen	<u>\$ 254,284</u>	<u>\$ 5.41</u>
Housekeeping:		
Salaries	\$ 589,448	\$ 12.55
Supplies	103,570	2.21
Total Housekeeping	<u>\$ 693,018</u>	<u>\$ 14.76</u>
Nursing:		
Other nursing personnel	\$ 4,068,214	\$ 86.63
Salaries, RN	2,448,943	52.15
Salaries, LPN	1,438,529	30.63
Medical supplies	403,991	8.60
Nursing supplies	376,689	8.03
Continuing professional education	1,800	0.04
Total Nursing	<u>\$ 8,738,166</u>	<u>\$ 186.08</u>
Pharmacy and Other Services:		
Medical director	\$ 66,175	\$ 1.40
Medical records	1,200	0.03
Total Pharmacy and Other Services	<u>\$ 67,375</u>	<u>\$ 1.43</u>
Recreational and Rehabilitation:		
Salaries, activities	\$ 345,183	\$ 7.35
Occupational therapists	340,812	7.26
Physical therapists	306,616	6.53
Speech therapist	109,311	2.33
Social worker	99,306	2.11
Supplies	14,547	0.31
Total Recreational and Rehabilitation	<u>\$ 1,215,775</u>	<u>\$ 25.89</u>

Belmont Manor Nursing Home, Inc.

Schedule of Operating Expenses, Continued

For the Year Ended December 31, 2023

Occupancy bed days

Total occupied	<u>46,960</u>
Bed days available	<u>49,275</u>
% of capacity occupied	<u>95.30%</u>