

**Belmont Manor Nursing Home, Inc.**  
**Balance Sheet**  
**December 31, 2022**

	<u>2022</u>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 465,706
Patient accounts receivable, net of allowance for doubtful accounts of \$68,892	807,167
Prepaid expenses	<u>50,902</u>
Total current assets	<u>1,323,775</u>
Property and equipment	
Building and improvements	9,714,998
Furniture, fixtures and equipment	2,990,985
Land and improvements	307,836
Construction in progress	74,538
Software	<u>2,810</u>
Total	13,091,167
Accumulated depreciation	<u>7,876,214</u>
Property and equipment, net	<u>5,214,953</u>
Noncurrent assets:	
Due from related party	<u>3,452,736</u>
Total assets	<u><u>\$ 9,991,464</u></u>
<b>Liabilities and Stockholders' Deficit</b>	
Current liabilities:	
Bank line of credit	\$ 400,000
Current portion of long-term debt	345,317
Accounts payable	1,106,353
Prepaid room and board	180,276
Accrued expenses	243,003
Due to related party	816,447
Payroll deductions	<u>3,153</u>
Total current liabilities	<u>3,094,549</u>
Long-term liabilities:	
Long-term debt, net of current maturities	13,120,135
Other long term liabilities	<u>36,300</u>
Total long-term liabilities	<u>13,156,435</u>
Stockholders' deficit:	
Total stockholders' deficit	<u>(6,259,520)</u>
Total liabilities and stockholders' deficit	<u><u>\$ 9,991,464</u></u>

**Belmont Manor Nursing Home, Inc.**  
**Statement of Income and Stockholders' Equity**  
**December 31, 2022**

	2022	
	Amount	Per Diem
Room and board-private	\$ 13,748,092	
Room and board-public	6,100,883	
Total room and board revenue	19,848,975	\$ 420.61
Operating expenses:		
Nursing	8,410,301	178.22
Administrative and general	6,157,702	130.48
Dietary	1,568,817	33.24
Recreational and rehabilitation	971,278	20.58
Plant operations	909,244	19.27
Property expenses	720,600	15.27
Housekeeping	534,799	11.33
Laundry and linen	273,593	5.80
Pharmacy and other services	69,003	1.46
Total operating expenses	19,615,337	415.65
Income from operations	233,638	4.96
Other income (expense):		
Interest expense	(613,657)	(13.00)
Federal and state grant income	512,261	10.86
Interest income	62,282	1.32
Total other income (expense), net	(39,114)	12.18
Income before state income taxes	194,524	17.14
State income tax expense - current	(18,000)	(0.38)
Net income	\$ 176,524	\$ 3.73
Occupancy bed days		
Total occupied	47,191	
Bed days available	49,275	
% of capacity occupied	95.77%	

**Belmont Manor Nursing Home, Inc.**  
**Statement of Stockholders' Deficit**  
**December 31, 2022**

	Common Stock		Additional	Accumulated	Total
	Outstanding	Amount	Paid in	Deficit	Stockholders'
	Shares		Capital		Deficit
Shares authorized	7,500				
Shares issued	200				
Balance at December 31, 2021	200	\$ 3,700	\$ 59,200	\$ (4,698,944)	\$ (4,636,044)
Net income	-	-	-	176,524	176,524
Stockholder distributions	-	-	-	(1,800,000)	(1,800,000)
Balance at December 31, 2022	200	\$ 3,700	\$ 59,200	\$ (6,322,420)	\$ (6,259,520)

**Belmont Manor Nursing Home, Inc.**  
**Statement of Cash Flow**  
**December 31, 2022**

	<u>2022</u>
Cash flows from operating activities:	
Net income	\$ 176,524
Adjustments to reconcile net income to net cash provided by operating activities:	
Bad debt expense	115,112
Depreciation	269,380
Amortization of debt issuance costs	2,590
Non-cash interest income	(61,917)
Changes in operating assets and liabilities:	
(Increase) decrease in:	
Patient accounts receivable	(239,347)
Prepaid expenses	(28,036)
Increase (decrease) in:	
Accounts payable	86,438
Prepaid room and board	(96,489)
Accrued expenses	(17,664)
Net cash provided by operating activities	<u>206,591</u>
Cash flows from investing activities:	
Capital expenditures	(149,844)
Advances to related parties	(1,009,851)
Repayments from related parties	416,013
Net cash used in investing activities	<u>(743,682)</u>
Cash flows from financing activities:	
Repayments of debt obligations	(330,710)
Net cash used in financing activities	<u>(330,710)</u>
Net decrease in cash and cash equivalents	(867,801)
Cash and cash equivalents at beginning of year	<u>1,333,507</u>
Cash and cash equivalents at end of year	<u><u>\$ 465,706</u></u>
<b>Supplemental disclosure of cash flow information:</b>	
Cash paid during the year for:	
Interest	<u><u>\$ 611,773</u></u>
State income taxes	<u><u>\$ 18,000</u></u>
<b>Supplemental disclosures of noncash investing and financing activities:</b>	
Nonmonetary distributions to stockholder used to reduce a related party receivable due to the Company	<u><u>\$ 1,800,000</u></u>
Interest income added to due to/from related party loans	<u><u>\$ 61,917</u></u>

**Belmont Manor Nursing Home, Inc.**  
**Schedules of Operating Expenses**  
**December 31, 2022**

	2022	
	Amount	Per Diem
Administrative and General:		
Salaries, administrative	\$ 1,638,765	\$ 34.73
Nursing facility user fee	981,785	20.80
Payroll taxes	892,030	18.90
Employees group insurance	825,977	17.50
Salaries, social service	507,577	10.76
Insurance	224,307	4.75
Office supplies	219,826	4.66
Professional fees	217,146	4.60
Consultants	187,980	3.98
Advertising	102,378	2.17
Travel and automobile expenses	67,840	1.44
Bad debt expense	115,112	2.44
Computer supplies	53,599	1.14
Charity	50,000	1.06
Taxes, other	23,735	0.50
Telephone	21,414	0.45
Dues and subscriptions	9,852	0.21
Inspection	9,381	0.20
Retirement plan administration fees	4,084	0.09
Employees benefits	3,978	0.08
Depreciation - software	936	0.02
Total Administrative and General	<u>\$ 6,157,702</u>	<u>\$ 130.48</u>
Property:		
Real estate taxes	\$ 231,825	\$ 4.91
Depreciation - building and improvements	230,818	4.89
Insurance, building	220,331	4.67
Depreciation - furniture, fixtures and equipment	37,626	0.80
Total Property	<u>\$ 720,600</u>	<u>\$ 15.27</u>
Plant Operations:		
Repairs and maintenance	\$ 282,613	\$ 5.99
Light and heat	272,252	5.77
Salaries	208,290	4.41
Water and sewer	146,089	3.10
Total Plant Operations	<u>\$ 909,244</u>	<u>\$ 19.27</u>

**Belmont Manor Nursing Home, Inc.**  
**Schedules of Operating Expenses**  
**December 31, 2022**

	2022	
	Amount	Per Diem
Dietary:		
Salaries	\$ 728,505	\$ 15.44
Food	655,737	13.90
Supplies	100,255	2.12
Consultant	84,320	1.78
Total Dietary	<u>\$ 1,568,817</u>	<u>\$ 33.24</u>
Laundry and Linen:		
Salaries	\$ 232,994	\$ 4.94
Supplies	40,599	0.86
Total Laundry and Linen	<u>\$ 273,593</u>	<u>\$ 5.80</u>
Housekeeping:		
Salaries	\$ 481,636	\$ 10.21
Supplies	53,163	1.12
Total Housekeeping	<u>\$ 534,799</u>	<u>\$ 11.33</u>
Nursing:		
Other nursing personnel	\$ 3,965,975	\$ 84.04
Salaries, RN	2,143,571	45.42
Salaries, LPN	1,461,396	30.97
Medical supplies	608,701	12.90
Nursing supplies	229,674	4.87
Continuing professional education	984	0.02
Total Nursing	<u>\$ 8,410,301</u>	<u>\$ 178.22</u>
Pharmacy and Other Services:		
Medical director	\$ 67,803	\$ 1.43
Medical records	1,200	0.03
Total Pharmacy and Other Services	<u>\$ 69,003</u>	<u>\$ 1.46</u>
Recreational and Rehabilitation:		
Salaries, activities	\$ 298,829	\$ 6.33
Occupational therapists	294,908	6.25
Physical therapists	205,065	4.35
Speech therapist	85,993	1.82
Social worker	82,336	1.74
Supplies	4,147	0.09
Total Recreational and Rehabilitation	<u>\$ 971,278</u>	<u>\$ 20.58</u>
Occupancy bed days		
Total occupied	<u>47,191</u>	
Bed days available	<u>49,275</u>	
% of capacity occupied	<u>95.77%</u>	