

MEDFORD CONVALESCENT AND NURSING CENTER

BALANCE SHEET

DECEMBER 31, 2023

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,016
Cash, patient funds	246,231
Accounts receivable, net of allowance for doubtful accounts \$222,064	742,284
Escrow deposits	7,153
Miscellaneous prepaid expenses	<u>593,054</u>
Total current assets	<u>\$ 1,589,738</u>

Property and equipment:

Land	\$ 512,633
Building and improvements	5,344,000
Furniture, fixtures and equipment	2,966,954
Vehicles	75,701
Computers	<u>220,921</u>
	9,120,209
Less: accumulated depreciation	<u>8,346,672</u>
Total property and equipment	<u>\$ 773,537</u>

Other assets:

Reserve for replacements	<u>762,434</u>
Total other assets	<u>\$ 762,434</u>
Total	<u>\$ 3,125,709</u>

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LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:

Mortgage payable, current portion	\$ 318,986
Escrow deposits payable	63,488
Accounts payable, operations	2,905,220
Accounts payable, related entities	1,976,487
Accrued interest payable	208,967
Accrued wages and payroll taxes	456,761
Provider taxes payable	265,498
Patient funds payable	<u>246,231</u>
Total current liabilities	<u>\$ 6,441,638</u>

Long-term liabilities:

Mortgage payable, non-current portion	\$ 4,192,176
Note payable, non-current portion	500,000
Loans payable, related party	2,348,634
Loans payable, shareholders	<u>2,235,179</u>
Total long-term liabilities	<u>\$ 9,275,989</u>

Total liabilities \$ 15,717,627

Shareholders' Equity (Deficit)

Common stock, stated value, \$10 per share, 100 shares authorized, issued and outstanding	\$ 1,000
Additional paid in capital	191,294
Accumulated deficit	(12,284,212)
Treasury stock, 50 shares at cost	<u>(500,000)</u>
Total shareholders' deficit	<u>\$ (12,591,918)</u>

Total \$ 3,125,709

MEDFORD CONVALESCENT AND NURSING CENTER
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Net patient service revenues:	
Private	\$ 2,494,436
Medicare	2,105,157
Medicaid	<u>6,944,810</u>
Total net patient service revenues	<u>\$ 11,544,403</u>
Operating expenses:	
Administrative	\$ 1,644,503
Utilities	336,465
Maintenance and repairs	360,331
Real estate taxes	250,347
Payroll taxes	743,364
Provider tax	529,499
Insurance	1,343,571
Interest and financial	348,178
Patient Care:	
Dietary	1,336,803
Nursing	5,552,890
Housekeeping	582,883
Drugs and medical	340,761
Laundry	74,673
Recreation	363,622
Rehabilitation	500,089
Beauty and barbershop	1,922
Transportation and auto	6,791
Depreciation	<u>52,255</u>
Total operating expenses	<u>\$ 14,368,947</u>
Income (loss) from operations	<u>\$ (2,824,544)</u>
Other income (expense):	
Interest income	\$ 1,597
Miscellaneous income (expense), net	<u>28,655</u>
Total other income (expense)	<u>\$ 30,252</u>
Income (loss) before provision for state income taxes	<u>\$ (2,794,292)</u>