

OPERATING STATEMENT
56051 Southern Ocean Center
For the period ended December 31, 2021

	Year to Date Actual	
	\$	P/Diem
REVENUES		
Net patient revenues		
Private	1,556,002	359.94
Insurance	1,906,925	463.52
Medicaid	6,114,935	251.09
Medicare A	3,879,442	688.45
Capitated Insurance	-	-
Medicare B	271,432	-
Insurance Med B	112,811	-
Veterans	-	-
Sub-total SNF patient revenues	13,841,547	360.21
Assisted living revenues		
Assisted living- private	-	-
Assisted living- SSI	-	-
Sub-total Assisted living revenues	-	-
Other revenue	12,670	0.33
Total net revenues	13,854,217	360.54
EXPENSES:		
ROUTINE EXPENSES		
Nursing wages & benefits	4,787,833	124.60
Nursing Agency	753,751	19.62
Nursing other	167,167	4.35
Total nursing	5,708,751	148.56
Administration	720,646	18.75
Operating taxes	446,041	11.61
Bad debt expense	176,971	4.61
Property and related	940,205	24.47
Maintenance	305,025	7.94
Dietary	1,012,089	26.34
Housekeeping	250,595	6.52
Laundry	222,226	5.78
Activities	160,322	4.17
Social services	290,751	7.57
Total routine expenses	10,233,622	266.32
ANCILLARY EXPENSE		
Capitated therapies	937,081	24.39
Respiratory therapy	38,801	1.01
Physical therapy	127,703	3.32
Speech therapy	100,188	2.61
Occupational therapy	121,343	3.16
Drugs	362,084	9.42
Pharmacist	-	0.00
IV Drugs	19,976	0.52
Medical supplies	25,238	0.66
Other	177,222	4.61
Total ancillary expenses	1,909,636	49.70
EBITDARM	1,710,958	44.53
Management and or Administrative Services fee	883,207	22.98
EBITDAR	827,751	21.54
Lease expense	2,805,644	73.01
EBITDA before overhead allocations	(1,977,893)	(51.47)
Overhead allocations	-	0.00
EBITDA after overhead allocations	(1,977,893)	(51.47)
Capital and other	96,073	2.50
Net income	(2,073,965)	(53.97)

BALANCE SHEET
56051 Southern Ocean Center
December 31, 2021

ASSETS:

Current assets:	
Cash and cash equivalents	10,750
Restricted cash and equivalents	0
Investments in marketable securities	0
Accounts receivable - trade	1,675,668
Accounts receivable - other	183,995
Reserve for bad debt	(347,404)
Net accounts receivable	<u>1,512,259</u>
Other receivable	0
Inventory	56,710
Prepaid expenses and other	(54,571)
Total current assets	<u>1,525,148</u>
Plant property and equipment	1,763,094
Accumulated depreciation	(1,033,490)
Net plant, property and equipment	<u>729,604</u>
Finance lease right-of-use	0
Operating lease right-of-use	16,607,091
Other long-term assets - other	0
Cost report receivable	(10,690)
Investment in joint ventures	0
Identifiable Intangible Assets	0
Goodwill, net	0
Intercompany	(3,793,498)
Total assets	<u><u>15,057,656</u></u>

LIABILITIES:

Current liabilities:	
Accounts payable	709,696
Accrued expenses	979,973
Total A/P and accrued expenses	<u>1,689,670</u>
Current portion of line of credit	0
Current portion of long-term debt	0
Total current portion of debt	<u>0</u>
Current portion of finance lease obligations	0
Current portion of operating lease obligations	939,121
Accrued compensation	256,738
Accrued interest	0
Income taxes payable	0
Total current liabilities	<u>2,885,529</u>
Finance lease obligations	0
Operating lease obligations	16,488,361
Deferred gain and other long-term liabilities	1,042
Total liabilities	<u><u>19,374,932</u></u>

SHAREHOLDERS' EQUITY:

Common stock	0
Additional paid in capital	(4,638,806)
Accumulated other comprehensive income (loss)	0
Retained earnings - prior year	2,395,495
Retained earnings - current year	(2,073,965)
Total shareholders' equity before noncontrolling interests	<u>(4,317,276)</u>
Noncontrolling interests	0
Total shareholders' equity	<u><u>(4,317,276)</u></u>
Total liabilities and shareholders' equity	<u><u>15,057,656</u></u>