

ESSEX RESIDENTIAL CARE, LLC  
DBA HACKENSACK MERIDIAN HEALTH WEST CALDWELL CARE CENTER

BALANCE SHEET

DECEMBER 31, 2021

ASSETS

Current assets:

Cash and cash equivalents	\$ 101,484
Cash, patient funds	94,416
Patient accounts receivable, net of allowance for doubtful accounts \$0	1,734,462
Medicaid pending	189,947
Escrow deposits	154,122
Prepaid expenses	<u>311,927</u>
Total current assets	<u>\$ 2,586,358</u>

Property and equipment:

Land	\$ 4,800,000
Building and improvements	25,400,000
Furniture, fixtures and equipment	<u>1,643,907</u>
	31,843,907
Less: accumulated depreciation	<u>2,217,098</u>
Total property and equipment	<u>\$ 29,626,809</u>

Other assets:

Reserve for replacements	463,635
Intangibles, net of accumulated amortizations of \$ 675,000	<u>\$ 2,025,000</u>
Total other assets	<u>\$ 2,488,635</u>

Total \$ 34,701,802

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BALANCE SHEET

DECEMBER 31, 2021

LIABILITIES AND MEMBERS' EQUITY

Current liabilities:

Mortgage payable, current portion	\$ 245,402
Accounts payable, operations	799,823
Accounts payable, related parties	670,223
Accrued interest payable	32,691
Accrued wages and payroll taxes	499,178
Due to Medicare	109,099
Provider taxes payable	121,189
Patient funds payable	<u>94,416</u>
Total current liabilities	<u>\$ 2,572,021</u>

Long-term liabilities:

Mortgage payable, non-current portion	<u>\$ 9,686,076</u>
Total long-term liabilities	<u>\$ 9,686,076</u>

Total liabilities \$ 12,258,097

Members' equity:

Members' equity	<u>\$ 22,443,705</u>
Total members' equity	<u>\$ 22,443,705</u>

Total \$ 34,701,802

ESSEX RESIDENTIAL CARE, LLC  
DBA HACKENSACK MERIDIAN HEALTH WEST CALDWELL CARE CENTER

STATEMENT OF OPERATIONS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021

Net patient service revenues:

Private	\$ 2,969,644
Medicare	3,295,603
Medicaid	<u>7,068,103</u>
Total net patient service revenues	\$ <u>13,333,350</u>

Operating expenses:

Administrative	\$ 1,834,095
Utilities	315,514
Maintenance and repairs	506,190
Real estate taxes	374,596
Payroll taxes	779,989
Provider tax	535,954
Insurance	1,692,436
Interest and financial	454,358
Patient Care:	
Dietary	1,231,688
Nursing	5,246,382
Housekeeping	473,691
Drugs and medical	817,152
Laundry	183,207
Recreation	378,423
Rehabilitation	796,228
Beauty and barbershop	756
Transportation and auto	5,940
Depreciation	<u>890,722</u>
Total operating expenses	\$ <u>16,517,321</u>

Loss from operations \$ (3,183,971)

Other income (expense):

Interest income	\$ 990
Amortization of intangibles	(270,000)
Miscellaneous expense, net	(1,665)
Grant income	<u>227,851</u>
Total other income (expense)	\$ <u>(42,824)</u>

Net (loss) \$ (3,226,795)

## Financial Statement Certification

I do hereby certify that the figures and statements attached hereto are true and correct to the best of my knowledge, information and belief; further, I understand that in the event that I have knowingly and willfully provided any false information, I will be liable for punishment in accordance with all applicable laws and statutes.

Executed this 4<sup>th</sup> day of October, 2022.

By: Essex Residential Care, LLC  
Dba Hackensack Meridian Health West Caldwell Care Center



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Signature

RICHARD PINELES, VICE PRESIDENT  
(Printed Name & Title)