

SENIORCARE OF HAMILTON, LLC
HUD PROJECT NO. 035-22060
FINANCIAL STATEMENTS
(AND INDEPENDENT AUDITOR'S REPORT)
YEAR ENDED DECEMBER 31, 2021

SENIORCARE OF HAMILTON, LLC
HUD PROJECT NO. 035-22060
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

Current Assets	
Cash	\$ 151,883
Accounts Receivable, net of allowance for doubtful accounts of \$156,833	1,969,231
Prepaid Expenses	<u>572,455</u>
Total Current Assets	2,693,569
Restricted Cash - Patient Funds	288,425
Restricted Cash - Escrows	712,700
Property and Equipment, Net	5,520,933
Deposits	128,909
Goodwill	<u>373,148</u>
Total Assets	<u>\$ 9,717,684</u>

LIABILITIES AND NET DEFICIT

Current Liabilities	
Accounts Payable and Accrued Expenses	\$ 6,974,832
Accrued Interest Payable	44,251
Current Portion of Mortgage Payable	<u>335,916</u>
Total Current Liabilities	7,354,999
Patient Deposits	288,425
Mortgage Payable	15,880,569
Less: Unamortized Debt Issuance Costs	<u>(354,740)</u>
Total Liabilities	23,169,253
Net Deficit	
Net Assets Without Donor Restrictions	<u>(13,451,569)</u>
Total Liabilities and Net Deficit	<u>\$ 9,717,684</u>

The accompanying notes are an integral part of these financial statements.

SENIORCARE OF HAMILTON, LLC
HUD PROJECT NO. 035-22060
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

Revenues	
Net Patient Service Revenue	\$ 12,991,047
Government Grants	2,014,608
Miscellaneous Revenue	38,496
Total Revenue	<u>15,044,151</u>
Operating expenses	
Patient Care and Services	8,848,448
Administrative	1,563,158
Management Fee	928,248
Utilities	247,800
Operating and Maintenance	389,598
Insurance and taxes	3,058,163
Financial	114,568
	<u>15,149,983</u>
Change in Net Assets before Interest and Depreciation	(105,832)
Interest Expense	528,358
Depreciation	<u>504,953</u>
Change in Net Assets	<u>\$ (1,139,143)</u>

The accompanying notes are an integral part of these financial statements.



Independent Auditor's Report

To the Board of Directors of
SeniorCare of Hamilton, LLC
Hamilton, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of SeniorCare of Hamilton, LLC (a nonprofit organization) ("the Company"), HUD Project No. 035-22060, which comprise the balance sheet as of December 31, 2021, and the related statements of operations, net deficit, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 19 to 32 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2022 on our consideration of SeniorCare of Hamilton, LLC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Company's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

Isdaner + Company llc

Bala Cynwyd, Pennsylvania
May 31, 2022