

PREFERRED CARE AT MERCER LIMITED LIABILITY COMPANY
(a limited liability company)
BALANCE SHEET
AT DECEMBER 31, 2023

ASSETS

Current assets

Cash and cash equivalents	\$ 1,028,537
Cash - restricted (patient funds)	195,421
Investments	3,324
Accounts receivable - less allowance of \$191,000	1,448,432
Due from prior owner	17,728
Prepaid expenses and other	239,637
Total current assets	<u>2,933,079</u>

Property and equipment - net	338,450
Right-of-use asset	13,149,036
Due from related entities	<u>1,551,593</u>

TOTAL ASSETS \$ 17,972,158

LIABILITIES AND MEMBERS' EQUITY

Current liabilities

Accounts payable	\$ 939,779
Accrued expenses	216,982
Accrued and withheld taxes	21,525
Due to landlord	464,319
Other current liabilities	1,114,616
Operating lease obligation	932,368
Patients' funds payable	146,512
Total current liabilities	<u>3,836,101</u>

Due to related entities	28,707
Operating lease obligation	12,216,668
Total liabilities	<u>16,081,476</u>

Members' equity 1,890,682

TOTAL LIABILITIES AND MEMBERS' EQUITY \$ 17,972,158

PREFERRED CARE AT MERCER LIMITED LIABILITY COMPANY
(a limited liability company)
STATEMENTS OF OPERATIONS AND MEMBERS' EQUITY
YEAR ENDED DECEMBER 31, 2023

Revenues	\$ 12,978,429
Operating expenses	<u>13,163,459</u>
Loss from operations	(185,030)
Non-operating revenue (expenses)	
Interest income	55,194
Dividend income	23,261
Unrealized loss on investment	(554)
Interest expense	<u>(6,029)</u>
NET LOSS	(113,158)
Members' equity - December 31, 2022	<u>2,631,331</u>
	2,518,173
Net members' equity distributed	<u>(627,491)</u>
MEMBERS' EQUITY - DECEMBER 31, 2023	<u><u>\$ 1,890,682</u></u>

PREFERRED CARE AT MERCER LIMITED LIABILITY COMPANY
(a limited liability company)
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

Cash flows from operating activities

Net loss	\$ (113,158)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation	83,487
Unrealized loss on investments	554
Decrease in assets	
Accounts receivable	1,430,344
Federal credits receivable	832,057
Prepaid expenses	106,771
Increase (decrease) in liabilities	
Accounts payable	44,139
Accrued expenses and withheld taxes	(5,068)
Due to private and third-party payors	(161,014)
Patients' funds and deposits payable	5,611
Net cash provided by operating activities	<u>2,223,723</u>

Cash flows from investing activities

Purchase of equipment	(51,960)
Net purchase of investments	(3,878)
Refund of security deposits	150,000
Net cash provided by investing activities	<u>94,162</u>

Cash flows from financing activities

Net payments from landlord	464,319
Net payments to related entities	(1,354,058)
Members' equity distributed	(627,491)
Net cash used in financing activities	<u>(1,517,230)</u>

Net increase in cash, restricted cash, and cash equivalents 800,655

Cash, restricted cash, and cash equivalents - December 31, 2022 423,303

**CASH, RESTRICTED CASH,
AND CASH EQUIVALENTS - DECEMBER 31, 2023** \$ 1,223,958

PREFERRED CARE AT MERCER LIMITED LIABILITY COMPANY
(a limited liability company)
SUPPLEMENTARY INFORMATION
REVENUES
YEAR ENDED DECEMBER 31, 2023

		Per Patient Day
Current year		
Medicaid	\$ 238,247	\$ 272.91
Medicaid - Managed Care	5,290,362	276.62
Private	350,063	344.55
Medicare - Part A	4,464,673	780.54
Part A bad debts	(280,790)	(49.09)
HMO	1,540,955	402.02
Hospice	<u>324,371</u>	276.06
	<u>11,927,881</u>	<u>\$ 375.78</u>
 Prior years		
Medicaid	25,157	
Medicaid - Managed Care	(14,995)	
Private	156,110	
Medicare	11,828	
HMO	<u>307,943</u>	
	<u>486,043</u>	
 Miscellaneous		
Therapy	<u>564,505</u>	
	<u>564,505</u>	
 TOTAL REVENUES	 <u>\$ 12,978,429</u>	