

ELIM PARK BAPTIST HOME, INC.

a.k.a. ELIM PARK PLACE

2013

ANNUAL FINANCIAL FILING

FISCAL YEAR ENDING

September 30, 2013

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CURRENT RATE SCHEDULE

i iii

7. CURRENT RATE STRUCTURE - 50% REFUND EFFECTIVE JANUARY 2014

Building	Entrance Fee Prices start at	Monthly Service Fee Prices start at	
Mallard Mill One Bedroom Apartment	\$188,955	\$1,871 \$535	Single Person Second Person Fee
Village Green One Bedroom Apartment Two Bedroom Apartment	\$262,694 \$343,344	\$2,393 \$535 \$3,144 \$535	Single Person Second Person Fee Single Person Second Person Fee
Brooksvale One Bedroom Apartment Two Bedroom Apartment	\$313,996 \$387,747	\$2,459 \$535 \$3,234 \$535	Single Person Second Person Fee Single Person Second Person Fee
Andrews Knoll One Bedroom Apartment Two Bedroom Apartment	\$331,306 \$443,481	\$2,507 \$535 \$3,294 \$535	Single Person Second Person Fee Single Person Second Person Fee
Mountain View One Bedroom Apartment Two Bedroom Apartment	\$360,442 \$472,331	\$2,532 \$535 \$3,307 \$535	Single Person Second Person Fee Single Person Second Person Fee
Spring Meadow One Bedroom Apartment Two Bedroom Apartment	\$364,112 \$470,395	\$2,531 \$535 \$3,301 \$535	Single Person Second Person Fee Single Person Second Person Fee
Riverbend One Bedroom Apartment Two Bedroom Apartment	\$359,529 \$451,786	\$2,594 \$535 \$3,363 \$535	Single Person Second Person Fee Single Person Second Person Fee

The Entrance Fee is 50% refundable when resident(s) move(s) from the living apartment and the Entrance Fee for that apartment is received from the new resident(s) by Elim Park. (90% and Declining Refund Entrance Fees are available through the Marketing Department—See Exhibit D.)

RESIDENTIAL TURNOVER RATES

EXHIBIT I

Residential Turnover Rates

The Independent Living Unit residential turnover rates for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
9.3%	9.5%	10.0%	10.2%	10.3%	10.4%

AVERAGE AGE OF RESIDENTS

EXHIBIT II

Average Age of Residents

The projected average age for the next five years for independent living residents is as follows:

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
86	86	86	86	86

EXHIBIT III

HEALTH CARE UTILIZATION RATES

Health Care Utilization Rates

Health care utilization rates, including admission rates and days per 100 residents by level of care for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

<u>Year</u>	Skilled Nursing Facility				<u>Days per 100 Residents</u>
	<u>Utilization Rate</u>		<u>Admission Rate</u>		
	<u>Patients</u>	<u>%</u>	<u>Patients</u>	<u>%</u>	
2013	28.3	8.7%	17.0	5.7%	3,188
2014	33.8	10.0%	23.2	7.6%	3,663
2015	38.1	11.1%	23.3	7.6%	4,050
2016	40.9	11.9%	23.3	7.6%	4,343
2017	43.0	12.5%	23.3	7.7%	4,577
2018	44.8	13.1%	23.2	7.7%	4,770

<u>Year</u>	Personal Care Facility				<u>Days per 100 Residents</u>
	<u>Utilization Rate</u>		<u>Admission Rate</u>		
	<u>Patients</u>	<u>%</u>	<u>Patients</u>	<u>%</u>	
2013	0.0	0.0%	0.0	0.0%	0
2014	0.0	0.0%	0.0	0.0%	0
2015	0.0	0.0%	0.0	0.0%	0
2016	0.0	0.0%	0.0	0.0%	0
2017	0.0	0.0%	0.0	0.0%	0
2018	0.0	0.0%	0.0	0.0%	0

OCCUPANCY RATES
EXHIBIT IV

Occupancy Rates

Occupancy rates for independent living units for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
89%	91%	92%	92%	92%	92%

NUMBER OF HEALTH CARE ADMISSIONS

EXHIBIT V

Number of Health Care Admissions

The number of health care admissions, by level of care, for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

<u>Year</u>	<u>Skilled Nursing</u>	<u>Personal Care</u>
2013	17.0	0.0
2014	23.2	0.0
2015	23.3	0.0
2016	23.3	0.0
2017	23.3	0.0
2018	23.2	0.0

DAYS OF CARE

EXHIBIT VI

Days of Care

The number of days of care, by level of care, for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

<u>Year</u>	<u>Skilled Nursing</u>	<u>Personal Care</u>
2013	10,329	0
2014	12,355	0
2015	13,894	0
2016	14,915	0
2017	15,708	0
2018	16,348	0

NUMBER OF PERMANENT TRANSFERS

EXHIBIT VII

Number of Permanent Transfers

The number of permanent transfers to the skilled nursing or personal care facility for the most recently completed fiscal year are:

<u>Facility transferred to:</u>	<u>Transferring from:</u>		<u>Total</u>
	<u>Independent Living</u>	<u>Personal Care</u>	
Skilled Nursing	13	0	13
Personal Care	0	N/A	0

ACTURIAL FINANCIAL BASIS

iv v



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Elim Park Baptist Home, Inc.

**Statement of Actuarial Opinion
February 12, 2014**

I, Dave Bond, am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, a Managing Partner in the firm of CCRC Actuarial Services, LLC, and meet the qualifications standards to render Statements of Actuarial Opinion for continuing care retirement communities. I have been retained by Elim Park Baptist Home, Inc. to render a Statement of Actuarial Opinion, in accordance with Section 17b-527 of the Regulations implementing the Connecticut Continuing Care Statutes, regarding the following actuarial projections included in Elim Park Baptist Home, Inc.'s 2013 Annual Financial Filing:

- Exhibit I Residential Turnover Rates
- Exhibit II Average Age of Residents
- Exhibit III Health Care Utilization Rates
- Exhibit IV Occupancy Rates
- Exhibit V Number of Health Care Admissions
- Exhibit VI Days of Care
- Exhibit VII Number of Permanent Transfers

I have examined the above items as shown in Elim Park Baptist Home, Inc.'s Annual Financial Filing. These items are attached to this Statement of Actuarial Opinion. In the course of my review, I relied upon the accuracy and completeness of data and supporting documentation prepared by Elim Park Baptist Home, Inc. However, in the course of my examination, nothing came to my attention which causes me to believe that the underlying data information is unreasonable or inappropriate. In other respects, my examination included such review, as I considered necessary, of the data, methods, and underlying assumptions used by and the resulting actuarial projections reported by Elim Park Baptist Home, Inc. with respect to the above items as shown in Elim Park Baptist Home, Inc.'s 2013 Annual Financial Filing.

In my opinion, the above items as shown in Elim Park Baptist Home, Inc.'s 2013 Annual Financial Filing:

- Are based upon methods which are consistent with sound actuarial principles and practices, and
- Are based upon methods and underlying assumptions that appear reasonable and appropriate in this instance.



Dave Bond, F.S.A., M.A.A.A.
Managing Partner
CCRC Actuaries, LLC
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If you have any questions please contact Dave Bond at the above address and telephone number.

CAPITAL COST AMORITIZATION

EXHIBIT VIII

EXHIBIT VIII

CAPITAL COST AMORTIZATION ASSUMPTIONS

Amortization assumption for facility capital costs: Property, plant and equipment are recorded at cost. Maintenance and repairs are charged at expense as incurred: major renewals and betterments are capitalized. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, as presented in the AHA Depreciable Hospital Assets 2003 Edition.

EXHIBIT IX
PRO FORMA STATEMENTS
SOURCE AND APPLICATION OF FUND

Consolidated Proforma Statement of Financial Position
Fiscal Years Ended September 30th

	2013 <u>Audited</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
ASSETS						
Current Assets:						
Cash and cash equivalents	12,896,242	13,187,196	9,041,534	9,531,267	10,124,974	10,787,520
Short-term investments	0	0	0	0	0	0
Patient trust fund	36,481	36,116	35,755	35,397	35,044	34,693
Escrow deposits	182,022	187,483	193,107	198,900	204,867	211,013
Operating reserve		0	0	0	0	0
Accounts receivable, net of allowance	1,805,679	2,314,629	2,358,634	2,402,577	2,451,671	2,500,039
Entrance Fees Receivable	1,109,073	1,609,073	1,609,073	1,609,073	1,609,073	1,609,073
Interest receivable		0	0	0	0	0
Prepaid expenses	372,129	409,342	450,276	495,304	544,834	599,317
Current portion of assets whose use is limited	0	0	0	0	0	0
Total current assets	<u>16,401,626</u>	<u>17,743,839</u>	<u>13,688,379</u>	<u>14,272,519</u>	<u>14,970,463</u>	<u>15,741,656</u>
Contract Receivable		0	0	0	0	0
Assets whose use is Limited, less current portion	0	0	0	0	0	0
Investments/SWAP	1,799,328	1,903,314	2,007,300	2,111,286	2,215,272	2,319,258
Property, Plant and Equipment:						
Property, Plant and Equipment, gross	90,398,118	92,098,118	98,198,118	99,698,118	101,198,118	102,698,118
Less: accumulated depreciation	<u>(37,893,673)</u>	<u>(41,056,157)</u>	<u>(44,421,110)</u>	<u>(47,876,563)</u>	<u>(51,414,670)</u>	<u>(55,040,277)</u>
Property, Plant and Equipment, net	52,514,445	51,041,961	53,777,008	51,821,555	49,783,448	47,657,841
ALSA	0	0	-	-	-	-
Charitable Gift Annuity & LT Pledges Receivable	973,086	998,086	1,023,086	1,048,086	1,073,086	1,098,086
Other Assets:						
Deferred marketing costs, gross	3,529,401	3,529,401	3,529,401	3,529,401	3,529,401	3,529,401
Less: accumulated amortization	<u>(3,026,463)</u>	<u>(3,128,604)</u>	<u>(3,162,961)</u>	<u>(3,183,157)</u>	<u>(3,203,353)</u>	<u>(3,223,549)</u>
Deferred marketing costs, net	502,938	400,796	366,439	346,243	326,047	305,851
Deposit	38,195	36,484	36,484	36,484	36,484	36,484
Bond issuance costs, gross	712,273	712,273	712,273	712,273	712,273	712,273
Less: accumulated amortization	<u>(295,315)</u>	<u>(372,703)</u>	<u>(372,703)</u>	<u>(372,703)</u>	<u>(372,703)</u>	<u>(372,703)</u>
Bond issuance costs, net	416,958	339,570	339,570	339,570	339,570	339,570
TOTAL ASSETS	72,646,576	72,464,050	71,238,267	69,975,743	68,744,371	67,498,746
LIABILITIES AND NET ASSETS						
Current Liabilities:						
Accounts payable	995,047	859,990	884,585	908,113	932,938	958,546
Patient trust fund payable	36,481	36,116	35,755	35,397	35,044	34,693
Accrued salaries, payroll taxes & other	1,378,722	1,420,084	1,455,586	1,491,975	1,529,275	1,567,507
Accrued bond interest	51,440	0	0	0	0	0
Entrance Fee Deposits	112,811	112,811	112,811	112,811	112,811	112,811
Due to third-part reimbursement	143,261	143,261	146,843	150,514	154,276	154,276
Accrued Construction		0	0	0	0	0
Current portion of long-term debt	4,234,957	954,738	954,738	954,738	954,738	954,738
Current portion of capital lease obligations		-	-	-	-	-
Total current liabilities	<u>6,952,719</u>	<u>3,527,000</u>	<u>3,590,318</u>	<u>3,653,549</u>	<u>3,719,082</u>	<u>3,782,571</u>
Accrued Health Care Benefit		0	0	0	0	0
Long-Term Cap Lease, less - current portion			-	-	-	-
LT Debt, less curr portion & unamort bd disc	18,707,745	18,743,599	17,788,860	16,834,122	15,879,383	14,180,362
Charitable Gift Annuities Payable	300,596	308,319	316,042	323,764	331,487	339,210
Other Long Term Liabilities	336,629	336,629	336,629	336,629	336,629	336,629
Deferred Revenue From Entrance Fees	37,377,353	39,498,577	47,009,077	46,324,840	45,645,997	44,972,682
Adjust Deferred Revenue From Entrance Fees		(291,183)	(291,183)	(291,183)	(291,183)	452,759
Net Assets	8,971,534	10,341,110	2,488,525	2,794,024	3,122,976	3,434,193
TOTAL LIABILITIES & NET ASSETS	72,646,576	72,464,050	71,238,267	69,975,744	68,744,371	67,498,747

Consolidated Proforma Statement of Cash Flow
Fiscal Years Ended September 30th

<u>Activity</u>	<u>Audited 2013</u>	<u>Budget 2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Cash Flow from Operating Activities						
Change In Net Assets after Realized/ Unrealized Investment Gains	(411,717)	1,369,576	347,415	305,498	328,953	311,217
<i>Adjustments:</i>						
Proceeds from Entrance Fees, net	5,722,729	6,211,220	2,969,750	3,066,494	3,165,656	3,267,298
Amort of def'd rev from entrance fees	(4,212,043)	(4,089,996)	(3,659,250)	(3,750,731)	(3,844,500)	(3,940,612)
Depreciation & Amortization	3,521,556	3,274,625	3,399,310	3,475,649	3,558,303	3,645,803
Amortization of Bond Discount	1,161,209	-	-	-	-	-
Change in Unrealized Gain/Loss	(88,413)	-	-	-	-	-
Loss on Disposal of Equipment	-	-	-	-	-	-
<i>(Increase) decrease in operating assets:</i>						
Escrow Deposits	(28,905)	(5,461)	(5,624)	(5,793)	(5,967)	(6,146)
Operating Reserve	-	-	-	-	-	-
Accounts Receivable	188,206	(508,950)	(44,005)	(43,943)	(49,094)	(48,368)
Interest Receivable	-	-	-	-	-	-
Prepaid Expenses	(64,537)	(37,213)	(40,934)	(45,028)	(49,530)	(54,483)
Contract Receivable	-	-	-	-	-	-
Deposits	-	(1,711)	-	-	-	-
<i>Increase (decrease) in operating liabilities:</i>						
Accounts Payable	(2,559,993)	(135,057)	24,595	23,528	24,825	25,607
Accrued Salaries and Wages	-	41,362	35,502	36,390	37,299	38,232
Accrued Bond Interest	(365,986)	(51,440)	-	-	-	-
Due to Third Party Reimb Agency	51,517	-	3,582	3,671	3,763	-
Accrued Construction	-	-	-	-	-	-
Accrued Health Care Benefit	-	-	-	-	-	-
Capital Lease Obligations	-	-	-	-	-	-
Other long-term liabilities	(70,000)	-	-	-	-	-
Charitable Gift Annuities Payable, net	47,098	(17,277)	(17,277)	(17,277)	(17,277)	(17,277)
Net cash provided by operating activities	2,890,721	6,049,678	3,013,063	3,048,458	3,152,431	3,221,270
Cash Flows from Investing Activities						
(Purchase) of Property, Plant, Equipment	(1,269,984)	(1,700,000)	(6,100,000)	(1,500,000)	(1,500,000)	(1,500,000)
(Purchase)/Sales of Investments	144,090	(103,986)	(103,986)	(103,986)	(103,986)	(103,986)
AWUL/Pledges Recble/ Sale of Fixed Asse	3,607,979	-	-	-	-	-
Deferred Marketing	-	0	-	-	-	-
Bond Issue	-	-	-	-	-	-
Net cash used in investing activities	2,482,085	(1,803,986)	(6,203,986)	(1,603,986)	(1,603,986)	(1,603,986)
Cash Flows from Financing Activities						
Debt Issuance Costs	(410,262)	-	-	-	-	-
Proceeds from Refinancing	-	-	-	-	-	-
Principal Payments on Bonds/LT Debt	(2,974,876)	(954,738)	(954,738)	(954,738)	(954,738)	(954,738)
Proceeds from construction loan	2,614,425	-	-	-	-	-
Payments on construction loan/Oasis	(7,283,796)	(3,000,000)	-	-	-	-
Accounts Payable Related To Construction	-	-	-	-	-	-
Principal Payments on Capital Lease/SWAI	(397,623)	-	-	-	-	-
Net cash provided by financing activities	(8,452,132)	(3,954,738)	(954,738)	(954,738)	(954,738)	(954,738)
Net Incr(Decr) in Cash & Equivalents	(3,079,326)	290,954	(4,145,662)	489,733	593,707	662,546
Cash & Equivalents, beg of year	15,975,568	12,896,242	13,187,196	9,041,534	9,531,267	10,124,974
Cash & Equivalents, end of year	12,896,242	13,187,196	9,041,534	9,531,267	10,124,974	10,787,520

ELIM PARK BAPTIST HOME, INC.
Proforma Statement of Activities and Changes in Net Assets
Fiscal Years Ended September 30th
CONSOLIDATED

<u>Account Description</u>	<u>2013</u> <u>Audited</u>	<u>Budget</u> <u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Consolidated Revenues						
Room & Board / MSF	20,305,441	21,320,722	21,811,234	22,314,602	22,906,178	23,438,574
Ancillary	320,002	284,751	290,446	296,255	302,180	308,224
ALSA	903,857	797,400	833,348	850,015	867,015	884,356
EPP Amort of Non Refundable EF	3,566,988	3,570,000	3,659,250	3,750,731	3,844,500	3,940,612
EPP Amort of Refundable EF	645,055	519,996	-	-	-	-
Other Services	<u>744,869</u>	<u>442,188</u>	<u>455,454</u>	<u>469,117</u>	<u>483,191</u>	<u>537,686</u>
Total Combined Revenues	26,486,212	26,935,057	27,049,732	27,680,721	28,403,064	29,109,452
Year to Year Change - Revenues	3,379,185	448,845	114,675	630,989	722,343	706,388
General Fund Expenses						
Nursing	5,171,507	5,200,470	5,330,282	5,464,337	5,601,769	5,742,664
ALSA & Patient Care Other	1,298,810	1,214,088	1,241,442	1,271,782	1,302,866	1,334,712
Therapy	1,166,230	1,068,876	1,071,726	1,097,969	1,124,857	1,152,407
Recreation/Wellness	279,589	294,276	301,633	309,174	316,903	324,826
Christian Ministries	43,043	54,600	55,965	57,364	58,798	60,268
Volunteer Services	48,001	44,456	45,567	46,707	47,874	49,071
Social Services	220,541	210,252	215,508	220,896	226,418	232,079
Admissions	161,959	180,828	185,349	189,982	194,732	199,600
Development	209,121	174,504	178,742	183,084	187,532	192,088
Marketing	993,494	880,323	728,484	731,676	749,463	767,695
Bad Debt	588,004	50,004	50,000	50,000	50,000	50,000
Administration	5,985,825	6,134,680	6,537,712	6,719,483	6,907,608	7,102,338
Dietary	3,225,581	3,280,800	3,365,688	3,452,904	3,542,517	3,634,600
Laundry	352,697	299,568	306,649	313,899	321,322	328,923
Housekeeping	671,302	757,644	776,177	795,165	814,620	834,553
Maintenance	1,207,368	1,160,616	1,188,201	1,216,446	1,245,369	1,274,985
Utilities	989,208	1,087,450	1,130,948	1,176,186	1,223,233	1,272,163
Insurance	<u>301,420</u>	<u>327,735</u>	<u>352,315</u>	<u>378,739</u>	<u>407,144</u>	<u>437,680</u>
Total Expense	22,913,702	22,421,170	23,062,389	23,675,794	24,323,028	24,990,652
Year to Year Change - Expenses	3,564,917	(492,532)	641,219	613,405	647,234	667,624
Change in Operating Net Assets	3,572,510	4,513,887	3,987,343	4,004,927	4,080,036	4,118,800
Depreciation	3,846,609	3,237,372	3,365,803	3,456,303	3,538,957	3,626,457
Interest Expense Bonds/LTD	<u>1,453,481</u>	<u>666,239</u>	<u>574,125</u>	<u>543,125</u>	<u>512,126</u>	<u>481,126</u>
	28,213,791	26,324,781	27,002,317	27,675,222	28,374,111	29,098,235
Change in Net Assets after Debt Service	(1,727,579)	610,276	47,415	5,498	28,953	11,217
Investment Income	104,102	109,308	100,000	100,000	100,000	100,000
Contributions	715,162	649,992	200,000	200,000	200,000	200,000
Real/Unrealized Gains - Losses	<u>496,597</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	(411,718)	1,369,576	347,415	305,498	328,953	311,217

EXHIBIT X
CERTIFIED AUDITED
FINANCIAL STATEMENTS

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Independent Auditors' Report

To the Board of Directors
The Elim Park Baptist Home, Inc.

We have audited the accompanying consolidated statement of financial position of The Elim Park Baptist Home, Inc., as of September 30, 2011 and the related consolidated statements of activities and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The prior year summarized comparative financial information has been derived from the Corporation's 2010 audited financial statements, and, in our report dated December 2, 2010, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2011 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Elim Park Baptist Home, Inc., as of September 30, 2011 and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Blum, Shapiro & Company, P.C.

December 1, 2011

THE ELIM PARK BAPTIST HOME, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2011 AND 2010

LIABILITIES AND NET ASSETS

ASSETS

	2011	2010
Current Assets		
Cash and cash equivalents	\$ 13,776,551	\$ 13,671,488
Patient trust funds	21,256	22,831
Escrow deposits	153,117	153,117
Accounts receivable, net of allowance for doubtful accounts of \$462,181 in 2011 and \$505,191 in 2010	1,468,759	1,890,124
Entrance fees receivable	2,869,116	2,188,515
Current portion of pledges receivable, net	43,052	56,631
Prepaid expenses	295,700	349,358
Current portion of assets whose use is limited	1,002,043	1,002,043
Total current assets	19,629,594	19,334,107
Assets Whose Use is Limited, Less Current Portion	2,950,392	2,950,392
Charitable Gift Annuities	501,398	483,733
Investments	1,411,855	1,599,713
Property and Equipment, Net of Accumulated Depreciation of \$31,978,448 in 2011 and \$29,348,029 in 2010	43,321,670	43,431,257
Other Assets		
Deferred marketing costs, net of accumulated amortization of \$2,843,028 in 2011 and \$2,771,497 in 2010	481,518	362,954
Bond issuance costs, net of accumulated amortization of \$343,135 in 2011 and \$312,972 in 2010	469,040	499,203
Pledges receivable, net	445,458	416,849
Deposits and other assets, net	38,195	38,195
Total other assets	1,434,211	1,317,201
Total Assets	\$ 69,249,120	\$ 69,116,403
Current Liabilities		
Current portion of long-term debt	\$ 954,998	\$ 910,000
Accounts payable	1,225,629	763,240
Patient trust funds payable	21,256	22,831
Accrued salaries, wages, payroll taxes and other	1,534,586	1,480,025
Accrued bond interest	434,076	449,939
Entrance fee deposits	958,315	731,513
Advance payments	147,545	344,000
Due to third parties	115,271	220,079
Total current liabilities	5,391,676	4,921,627
Accrued Healthcare Benefit	31,570	43,730
Long-Term Debt, Less Current Portion	21,944,200	22,882,542
Charitable Gift Annuities	123,460	138,859
Deferred Revenue from Entrance Fees	32,039,510	31,512,824
Other Long-Term Liabilities		
Total liabilities	59,937,045	59,906,033
Net Assets		
Unrestricted	8,134,013	7,592,639
Temporarily restricted	1,124,059	1,563,728
Permanently restricted	54,003	54,003
Total net assets	9,312,075	9,210,370
Total Liabilities and Net Assets	\$ 69,249,120	\$ 69,116,403

The accompanying notes are an integral part of the consolidated financial statements

THE ELIM PARK BAPTIST HOME, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2011
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2010

2011

	Unrestricted				Temporarily Restricted				Permanently Restricted		Total	
	Elim Park Baptist Home Fund		Elim Park Legacy Foundation		Elim Park Baptist Home Fund		Elim Park Legacy Foundation		Elim Park Legacy Foundation			
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010		
Revenue, Gains and Other Support												
Net resident service revenue	\$ 13,221,890	\$ 856,855	\$ -	\$ 14,078,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,078,745	\$ 14,060,456
Monthly service fees	-	6,037,212	-	6,037,212	-	-	-	-	-	-	6,037,212	6,028,086
Amortization of deferred entrance fees	-	3,743,090	-	3,743,090	-	-	-	-	-	-	3,743,090	3,833,250
Investment income	16,492	131,756	23,104	171,352	-	1,434	-	3,701	-	-	176,487	251,591
Ancillary revenue	80,420	52,681	262,576	320,715	26,089	18,973	41,434	10,409	-	96,905	80,420	311,133
Contributions and bequests	5,458	439,782	542,111	1,021,351	(19,717)	(431,480)	(8,302)	(82,612)	-	(542,111)	417,620	240,288
Net assets released from restrictions	81,886	360,092	4,684	446,662	6,372	(412,507)	34,566	(68,502)	-	(440,071)	446,662	404,602
Other revenue	13,508,475	11,621,468	290,364	25,420,307	-	-	-	-	-	-	24,980,236	25,129,406
Total revenues, gains and other support												
Expenses												
Nursing services	4,915,546	-	-	4,915,546	-	-	-	-	-	-	4,915,546	4,712,065
ALSA services	-	611,815	-	611,815	-	-	-	-	-	-	611,815	905,586
Ancillary services	1,333,068	-	-	1,333,068	-	-	-	-	-	-	1,333,068	1,188,066
Resident services	518,016	270,230	-	788,246	-	-	-	-	-	-	788,246	743,893
Dietary services	854,320	2,127,440	-	2,981,760	-	-	-	-	-	-	2,981,760	2,817,034
Housekeeping services	279,359	309,907	-	589,266	-	-	-	-	-	-	589,266	609,968
Laundry and linen services	251,080	-	-	251,080	-	-	-	-	-	-	251,080	236,669
Administrative and general	3,804,439	2,978,717	59,181	6,842,337	-	-	-	-	-	-	6,842,337	6,392,653
Plant operation and maintenance	774,199	1,616,284	-	2,390,483	-	-	-	-	-	-	2,390,483	2,296,343
Depreciation and amortization	644,104	2,116,709	-	2,760,813	-	-	-	-	-	-	2,760,813	2,682,222
Interest	361,267	968,555	-	1,329,822	-	-	-	-	-	-	1,329,822	1,441,927
Total expenses	13,735,398	10,999,657	59,181	24,794,236	-	-	-	-	-	-	24,794,236	24,026,426
Income (Loss) from Operations	(226,923)	621,811	231,183	626,071	6,372	(412,507)	34,566	(68,502)	-	(440,071)	186,000	1,102,980
Change in Net Unrealized Gain (Loss) on Investments	(9,839)	(43,904)	(30,954)	(84,697)	-	-	50	352	-	402	(84,295)	50,354
Change in Net Assets	(236,762)	577,907	200,229	541,374	6,372	(412,507)	34,616	(68,150)	-	(439,669)	101,705	1,153,334
Net Assets - Beginning of Year	(6,286,959)	13,449,879	429,719	7,592,639	122,576	583,720	334,619	514,035	54,003	1,563,728	9,210,370	8,057,036
Net Assets - End of Year	(6,523,721)	14,027,786	629,948	8,134,013	128,948	171,213	369,235	445,885	54,003	1,124,059	9,312,075	9,210,370

The accompanying notes are an integral part of the consolidated financial statements

THE ELIM PARK BAPTIST HOME, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 101,705	\$ 1,153,334
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Proceeds from entrance fees, net of refunds	4,310,077	3,316,729
Spend downs	(494,100)	(724,079)
Depreciation and amortization	2,760,813	2,682,222
Amortization of bond discount	16,656	16,658
Change in net unrealized gain (loss) on investments	84,295	(50,354)
Amortization of deferred revenue from entrance fees	(3,743,090)	(3,833,250)
(Increase) decrease in operating assets:		
Accounts receivable, net	421,365	(56,852)
Prepaid expenses	53,658	(31,801)
Deposits	-	(1,711)
Increase (decrease) in operating liabilities:		
Accounts payable, accrued expenses and patient trust fund payable	516,950	(52,759)
Accrued bond interest	(15,863)	(40,859)
Accrued healthcare benefit	(12,160)	(33,100)
Charitable gift annuities	(15,399)	(42,298)
Other long-term liabilities	178	(5,300)
Due to third parties and advanced payments	(301,263)	334,970
Net cash provided by operating activities	<u>3,683,822</u>	<u>2,631,550</u>
Cash Flows from Investing Activities		
Purchase of property, plant and equipment, net	(2,549,532)	(2,634,390)
Sale of investments, net	85,898	1,936,100
Increase in assets whose use is limited, net	-	(96)
Increase in deferred costs	(190,095)	(52,256)
Pledges receivable, net	(15,030)	6,509
Net cash used in investing activities	<u>(2,668,759)</u>	<u>(744,133)</u>
Cash Flows from Financing Activities		
Principal payment on bonds payable	(910,000)	(2,220,000)
Net cash used in financing activities	<u>(910,000)</u>	<u>(2,220,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	105,063	(332,583)
Cash and Cash Equivalents - Beginning of Year	<u>13,671,488</u>	<u>14,004,071</u>
Cash and Cash Equivalents - End of Year	<u>\$ 13,776,551</u>	<u>\$ 13,671,488</u>
Cash Paid During the Year for Interest	\$ 1,345,685	\$ 1,482,786

The accompanying notes are an integral part of the consolidated financial statements