THE OSCAR AND ELLA WILF CAMPUS FOR SENIOR LIVING INC. AND CONTROLLED ENTITIES

CONSOLIDATED FINANCIAL STATEMENTS, SUPPLEMENTARY INFORMATION AND INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

THE OSCAR AND ELLA WILF CAMPUS FOR SENIOR LIVING, INC.
AND CONTROLLED ENTITIES

CONSOLIDATED FINANCIAL STATEMENTS, SUPPLEMENTARY INFORMATION AND INDEPENDENT AUDITORS' REPORT FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
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INDEPENDENT AUDITORS' REPORT

To the Boards of Trustees of
The Oscar and Ella Wilf Campus for Senior Living, Inc. and Controlled Entities
Somerset, New Jersey

Opinion

We have audited the consolidated financial statements of the Oscar and Ella Wilf Campus for Senior Living, Inc. and Controlled Entries (collectively, "the Organization"), which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2023 and the changes in its net assets 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization 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.

Emphasis of Matter

As part of our audit of the 2023 consolidated financial statements, we also audited the adjustments described in Note 18 that were applied to restate the 2022 consolidated financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2022 consolidated financial statements of the Organization other than with respect to the adjustments, and accordingly, we do not express an opinion or any other form of assurance on the 2022 consolidated financial statements as a whole. The consolidated financial statements of the Organization for the year ended December 31, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on June 30, 2023.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 consolidated financial statements taken as a whole. The accompanying consolidating statement of financial position as of December 31, 2023 and the consolidating statement of activities and changes in net assets for the year then ended are presented for the purpose of additional analysis and are not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Cerini & Associates LLP

Bohemia, New York
June 27, 2024

THE OSCAR AND ELLA WILF CAMPUS FOR SENIOR LIVING, INC. AND CONTROLLED ENTITIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31,	2023	2022
Current Assets:		
Cash and cash equivalents	$ 461,135	$ 434,580
Restricted cash, residents' personal needs	3,643	3,438
Investments	334,952	1,711,046
Inventory	167,070	376,648
Accounts receivable, net of allowance	1,280,214	1,209,398
Accounts receivable, other	178,878	335,425
Prepaid expenses and other current assets	113,234	115,132
TOTAL CURRENT ASSETS	2,539,126	4,185,667
Replacement reserve	71,911	34,766
Restricted cash, residents' personal needs	275,408	218,151
Tenant deposits held in trust	30,378	25,913
Restricted investments	294,249	330,710
Privately held investments	15,586	15,586
Finance lease right-of-use assets	-	43,211
Assets held for sale	1,525,422	-
Property and equipment, net of accumulated depreciation	12,433,059	14,655,748
TOTAL ASSETS	$ 17,185,139	$ 19,509,752
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Cash overdraft	$ 24,115	$ 227,893
Current portion of finance lease liability	-	17,679
Current portion of long term debt, net of amortization of capitalized mortgage costs	2,910,180	1,048,350
Deferred revenue	1,183	-
Accounts payable and accrued expenses	1,423,834	702,721
Residents' personal needs	2,200	2,170
TOTAL CURRENT LIABILITIES	4,361,512	1,998,813
Finance lease liability, net of current portion	-	19,043
Tenants' deposits	28,421	25,913
Residents' deposits	275,407	218,151
Long term debt, net of current portion and amortization of capitalized mortgage costs	1,943,167	4,160,545
TOTAL LIABILITIES	6,608,507	6,422,465
Net Assets:		
Without donor restrictions	9,401,169	11,875,363
With donor restrictions	1,175,463	1,211,924
TOTAL NET ASSETS	10,576,632	13,087,287
TOTAL LIABILITIES AND NET ASSETS	$ 17,185,139	$ 19,509,752

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE:			
Net patient/resident service revenues	$ 9,687,179	$ -	$ 9,687,179
Home care revenue	553,318	-	553,318
Tenant revenue	1,730,615	-	1,730,615
Congregate revenue	127,853	-	127,853
Rental income	1,161,136	-	1,161,136
COVID-19 income	1,324,977	-	1,324,977
Investment income	21,437	51,075	72,512
Management fee income	-	-	-
Transportation income	377,438	-	377,438
Contributions from related parties	-	-	-
Contributions - other	555,011	-	555,011
Other income	248,418	-	248,418
Net assets released from restriction for operations	87,536	(87,536)	-
TOTAL REVENUE	15,874,918	(36,461)	15,838,457
EXPENSES:			
Program services	14,859,252	-	14,859,252
General and administrative	3,109,831	-	3,109,831
Fundraising	380,028	-	380,028
TOTAL EXPENSES	18,349,112	-	18,349,112
CHANGE IN NET ASSETS	(2,474,194)	(36,461)	(2,510,655)
Net assets, beginning of year, as restated	11,875,363	1,211,924	13,087,287
Net assets, end of year	$ 9,401,169	$ 1,175,463	$ 10,576,632

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

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Without Donor Restriction	*With Donor Restrictions*	*Total*
REVENUE:			
Net patient/resident service revenues	$ 8,787,352	$ -	$ 8,787,352
Home care revenue	442,356	-	442,356
Tenant revenue	1,702,137	-	1,702,137
Congregate revenue	133,414	-	133,414
Rental income	1,161,136	-	1,161,136
COVID-19 income	174,258	-	174,258
Investment income	(666,762)	(70,087)	(736,849)
Transportation income	327,092	-	327,092
Contributions from Affiliates	20,760	-	20,760
Contributions - other	79,460	-	79,460
Other income	278,514	-	278,514
Net assets released from restrictions for operations	17,537	(17,537)	-
Total Revenue	12,457,254	(87,624)	12,369,630
EXPENSES:			
Program services	13,788,073	-	13,788,073
General and administrative	2,666,808	-	2,666,808
Fundraising	368,678	-	368,678
TOTAL EXPENSES	16,823,559	-	16,823,559
CHANGE IN NET ASSETS	(4,366,305)	(87,624)	(4,453,929)
Net assets, beginning of year, as restated	16,241,668	1,299,548	17,541,216
Net assets, end of year, as restated	$ 11,875,363	$ 1,211,924	$ 13,087,287

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

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services	General and Administrative	Fundraising	Total
Salaries	$ 7,364,072	$ 1,811,394	$ 232,287	$ 9,407,753
Payroll taxes and employee benefits	1,715,407	558,318	57,208	2,330,934
Total salaries and related expenses	9,079,479	2,369,712	289,495	11,738,686
Other expenses	5,596	1,376	177	7,149
Personnel costs	94,020	11,534	-	105,554
Insurance	198,646	56,144	-	254,791
Maintenance expenses	523,210	32,952	-	556,162
Office expenses/ office supplies	117,444	179,236	1,702	298,382
Advertising	78,188	22,984	11,347	112,518
Professional fees	305,798	157,438	-	463,236
Telephone expense	16,591	1,418	-	18,009
Utilities expense	513,059	35,149	19,697	567,905
Rent expense	118	26,137	3,392	29,647
Patient and residential	2,478,325	-	-	2,478,325
Patient transportation	72,744	-	-	72,744
Housekeeping	44,159	-	-	44,159
Miscellaneous expenses	56,937	78,579	23,091	158,607
Interest	209,911	17,257	-	227,168
Depreciation and amortization	1,019,179	68,447	31,127	1,118,754
Bad debt expense	45,848	51,467	-	97,315
TOTAL EXPENSES	$ 14,859,252	$ 3,109,831	$ 380,028	$ 18,349,112

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

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services	General and Administrative	Fundraising	Total
Salaries	$ 6,912,728	$ 1,439,161	$ 239,740	$ 8,591,629
Payroll taxes and employee benefits	1,487,167	435,987	57,070	1,980,224
Total salaries and related expenses	8,399,895	1,875,148	296,810	10,571,853
Other expenses	-	-	-	-
Personnel costs	129,046	-	-	129,046
Insurance	196,445	35,587	-	232,032
Maintenance expenses	539,244	830	-	540,074
Office expenses/ office supplies	60,989	289,034	8,814	358,837
Advertising	26,048	18,234	7,814	52,096
Professional fees	44,203	112,939	-	157,142
Telephone expense	17,985	1,474	-	19,459
Utilities expense	447,374	31,566	17,022	495,962
Rent expense	102,539	75,350	3,611	181,500
Patient and residential	2,258,033	-	-	2,258,033
Patient transportation	71,517	-	-	71,517
Housekeeping	39,499	-	-	39,499
Miscellaneous expenses	246,496	94,561	3,900	344,957
Interest	168,787	11,328	-	180,115
Depreciation and amortization	993,281	83,486	30,707	1,107,474
Bad debt expense	46,692	37,271	-	83,963
TOTAL EXPENSES	$ 13,788,073	$ 2,666,808	$ 368,678	$ 16,823,559

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

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (2,510,655)	$ (4,453,929)
Adjustments to reconcile change in net assets to net cash (used in) operating activities:		
Depreciation and amortization expense	1,118,754	1,107,474
Amortization on debt finance costs	7,773	7,773
Bad debt expense	97,315	83,963
Unrealized (gains)/ losses	(72,445)	764,305
Non-cash finance leases	6,489	(35,343)
Changes in operating assets and liabilities:		
Inventory	209,578	-
Accounts receivable	(168,131)	(349,407)
Accounts receivable, other	156,547	214,487
Prepaid expenses and other current assets	1,898	119,875
Restricted cash, residents' personal needs	(57,257)	20,177
Tenant deposits held in trust	(4,465)	(741)
Deferred revenue	1,183	-
Accounts payable and accrued expenses	721,113	433,358
Residents' personal needs	30	(797)
Other current liabilities	-	(3,371)
Tenants' deposits	2,508	-
Residents' deposits	57,256	(20,177)
NET CASH USED IN OPERATING ACTIVITIES	(432,509)	(2,112,353)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(421,487)	(902,884)
Purchases of investments	-	(3,221,615)
Sale of investments	1,485,000	6,125,999
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,063,513	2,001,500
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash overdraft	(203,778)	(227,893)
Repayment of long-term debt	(1,048,321)	(999,052)
Proceeds from letter of credit	685,000	-
NET CASH USED IN FINANCING ACTIVITIES	(567,099)	(1,226,945)
NET CHANGE IN CASH	63,905	(1,337,798)
Cash, cash equivalents, and restricted cash, beginning of year	472,784	1,810,582
Cash, cash equivalents, and restricted cash, end of year	$ 536,689	$ 472,784
OTHER SUPPLEMENTAL INFORMATION:		
Cash paid for interest	$ 219,395	$ 174,192
PRESENTATION OF CASH ON THE STATEMENTS OF FINANCIAL POSITION:		
Cash and cash equivalents	$ 461,135	$ 434,580
Replacement reserve	71,911	34,766
Restricted cash, residents' personal needs	3,643	3,438
Cash, cash equivalents, and restricted cash, end of year	$ 536,689	$ 472,784

NOTE 1 – NATURE OF THE ORGANIZATION

The Martin and Edith Stein Assisted Living Residence, Inc. (“Stein AL”) was incorporated under the New Jersey nonprofit law in December 1999. The facility was established to build and operate a 90-bed assisted living facility in Somerset, New Jersey. The facility began operations on May 22, 2003.

The Jewish Home and Healthcare Center, Inc. (the “Center”) was established to provide skilled nursing care to the elderly in New Jersey. The Center operated a 255-bed skilled nursing facility, through February 2007. In March 2007, the Center entered into an agreement with Regency Heritage and Nursing Rehabilitation Center, LLC (the “Regency”), an unrelated for-profit entity, whereby Regency operates the nursing facility as a turnkey operation for a minimum period of 20 years.

The Lena and David T. Wilentz Senior Residence, Inc. (the “Housing Company”), established under Section 202 of the National Housing Act, operates a 100-unit residential apartment building complex for the elderly in Somerset, New Jersey. The Housing Company is supported primarily by resident rents and tenant assistance payments from the United States Department of Housing and Urban Development (“HUD”) and the State of New Jersey Department of Health.

The Martin and Edith Stein Hospice (hereinafter “Hospice”), was incorporated under New Jersey nonprofit law in January 2005. Hospice was established to operate a patient and family centered hospice program to provide interdisciplinary services for the palliation and management of terminal illness in central New Jersey.

The Foundation of the Oscar and Ella Wilf Campus for Senior Living, Inc. (the “Foundation”), was incorporated in 1987 as a nonprofit organization. The Foundation was established to support and encourage, under Jewish auspices, health care services and housing, primarily for senior citizens who are residents of the state of New Jersey. The Foundation did this by receiving donations on behalf of and making contributions to the Center. In addition, the Foundation is available to support the activities of other entities.

Wilf Transport, Inc. (hereinafter “Transport”), was incorporated under the New Jersey nonprofit law in May 2011. Transport was established to maintain and operate a program to provide transportation services to residents of Middlesex, Somerset, and Union counties.

Wilf At Home (hereinafter “At Home”), was incorporated under the New Jersey nonprofit law in June 2015. At Home was established to help older adults age in their home. On April 30, 2016, the Board of Trustees voted to suspend the operations of At Home. During 2019, the Board of Trustees voted to reestablish operations.

NOTE 1 – NATURE OF THE ORGANIZATION *(continued)*

The Oscar and Ella Wilf Campus for Senior Living, Inc. (the "Organization") is the sole member of the Facility, the Center, the Housing Company, Hospice, the Foundation, Transport, and At Home are owned by The Oscar and Ella Wilf Campus for Senior Living, Inc. As the sole member, Campus has the ability to:

- Amend, revise, or restate bylaws;
- Dissolve, divide, convert, or liquidate the entities;
- Approve annual budgets;
- Approve any debt issuance;
- Approve the transfer of assets; and
- Approve the election, re-election, or removal Board of Trustees.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the Organization's consolidated financial statements. The consolidated financial statements and notes are representations of the Organization's management, which is responsible for the integrity and objectivity of the consolidated financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America ("US GAAP") and have been consistently applied in the preparation of the consolidated financial statements.

Principles of Consolidation:
All material intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates:
The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses, as well as the disclosure of contingent assets and liabilities and classification of reported expenses. Actual results may differ from those estimates.

Basis of Presentation:
The Organization's consolidated financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") guidance on reporting information regarding its financial position and activities for not-for-profit organizations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Under that guidance, the Organization is required to report information regarding its net assets and revenues, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization, and changes therein, are classified and reported as follows:

- *Without donor restrictions* – Net assets that are not subject to donor-imposed stipulations. At times, the governing board can designate, from net assets without donor restrictions, net assets for a board-designated endowment or other purposes. At December 31, 2023 and 2022, the governing board has not made this designation.

- *With donor restrictions* – Net assets subject to donor-imposed stipulations, including stipulations that will be met either by actions of the Organization or the passage of time, or stipulations that they be maintained permanently by the Organization. When time and purpose restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions. For the years ended December 31, 2023 and 2022, net assets with donor restrictions were $1,175,463 and $1,211,924, respectively. For the years ended December 31, 2023 and 2022, restricted net assets include $250,000 of restricted net assets that are perpetual in nature. See Note 12 for additional information.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled, the stipulated time period has elapsed, or endowment earnings are appropriated) are reported as net assets released from restrictions.

Cash and Cash Equivalents:
For financial-reporting purposes, the Organization considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Restricted Cash and Replacement Reserve:
Cash and Cash Equivalents included in the endowment fund of the Foundation, the Replacement Reserve account of the Housing Company, as well as deposits from residents of the Facility, are considered to be restricted in nature. Restricted cash from residents' deposits and residents' personal needs, received by the Facility, is not included in the restricted cash reported on the statement of cash flows as there are offsetting liabilities recorded on the statement of cash flows for these amounts.

Under the regulatory agreement, the Housing Company is required to make deposits into restricted escrow accounts. The Housing Company makes regular monthly deposits into the Reserve for Replacement account for the replacement of property and equipment. These funds are held in separate accounts at December 31, 2023 and 2022.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Surplus cash, if any, from the operations of the property is deposited into a Residual Receipts account. All disbursements required the approval of the Department of Housing and Urban Development ("HUD").

Tenants' Security Deposits:
The Housing Company holds in trust security deposit amounts advanced by the tenants of the Housing Company upon move-in. The Housing Company records these deposits plus interest as a liability.

Residents' Deposits:
Residents' deposits are security deposits on the rental units to the Facility by residents upon move-in. The Facility records these deposits as a liability.

Accounts Receivable, net:
Accounts receivable are reported at net realizable value. Net patient and resident service revenue is reported at estimated net realizable amounts from patients and residents, third-party payors, and others for services rendered and are earned upon completion of services provided. If necessary, an allowance is established for the estimated losses that result from the inability of tenants, residents or patients to make their required payments.

The allowance is based on the aging of receivables, assessments of historical collection trends, and evaluation of the impact of current economic condition as well as the financial status of the individual tenant, resident, or patient.

Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. There was $64,022 and $56,954 in allowances for doubtful accounts at December 31, 2023 and 2022.

Rent income is earned pursuant to leases that generally do not exceed more than one year. If necessary, the Housing Company establishes an allowance for the estimated losses, which is based on the aging of rent receivables, assessment of historical collection trends, and an evaluation of the impact of current economic conditions. No allowances relating to rental income were recorded for the years ended December 31, 2023 or 2022.

Investments:
Investments are recorded at fair values in the statement of financial position. Investment income or loss (including realized and unrealized gains and losses) is included in changes in net assets. Dividends are measured using the ex-dividend date. Purchases and sales of securities are recorded as realized gains and losses on a trade-date basis. The fair value of substantially all securities are determined by quoted market prices.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Organization's investments are comprised of a variety of financial instruments and are management by investment advisors. The fair values reported in the accompanying statement of financial position are subject to various risks.

Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the accompanying statement of financial position could change materiality in the near term. However, as of the date of the financial statements, no such changes have been noted.

Disclosures About Fair Value of Assets:
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices in active markets for identical assets or liabilities
- Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3: Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Property and Equipment, Net:
Property and equipment is stated at cost, net of accumulated depreciation. The Organization capitalizes items, on an entity-by-entity basis, with a cost between $1,000 and $5,000, or higher and a useful life of greater than one year. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are amortized over the estimated useful life of the asset or the remaining term of the lease, whichever is shorter.

Estimated useful lives are as follows:

Building and improvements	5 - 40 years
Land improvements	10 - 40 years
Furniture and Fixtures	5 – 15 years
Equipment	5 – 15 years
Vehicles	5 years

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Organization evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

Long-lived assets were reviewed for impairment as of December 31, 2023 and 2022 and in the opinion of management, there was no impairment.

Debt Issuance Costs:
Debt issuance costs are reflected as a reduction of the carrying amount of the related debt and are amortized based on the effective interest rate over the life of the associated debt. Amortization of debt issuance costs is included in interest expense.

Contributions:
Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the dates the contributions are received. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Restricted contributions received and expended in the same fiscal year are reflected as unrestricted revenues.

Tenant Income:
The Housing Company's revenue consists primarily of operating leases of residential real estate. The Housing Company records revenue for such leases at gross potential rent as described by HUD. The rental value of vacancies and other concessions are stated separately to present net rental income on the accrual basis.

Lease payments include subsidy payments and are included in income as rents become due. Lease payments received in advance are deferred until earned. At the commencement of an operating lease, no revenue is recognized, subsequently, lease payments received by the Housing Company are recognized as income on the straight-line basis.

Subsidy payments from rent charges for low-income eligible tenants are provided under a Section 8 housing assistance payment contract.

The contract requires tenants to contribute a portion of the rent based on formulas prescribed by HUD. The difference from the calculated subsidy and the contract rent is paid by HUD.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The current contract expires on October 31, 2030. Subsidy income is considered part of the lease and is not considered a contribution under Accounting Standard Codification ("ASC") 958.

This standard indicates that government payments to specifically identified participants are to be considered exchange transactions and potentially subject to ASC 606, *Revenue Recognition*. The Housing Company believe that both such rental and subsidy income are exempt from ASC 606.

Net Patient/ Resident Service Revenue:
Patient service revenue is reported at the amount that reflects the consideration at to which Hospice expects to be entitled in exchange for providing patient services and care. Patient services includes monthly fees, health care services, and patient and other services on the statement of activities and changes in net assets. These amounts are due from patients, third-party payors and others and includes variable consideration for retroactive revenue adjustments due to settlements of audits, reviews, and investigations. Generally, Hospice bills the patient monthly for services and third-party payors after the services are performed. Revenue is recognized as performance obligations as satisfied.

Performance obligations are determined based on the nature of the services provided by Hospice. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred. Hospice believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients receiving skilled nursing or other services within the facility or commencement of services to the point when Hospice is no longer required to provide services to that patient. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to the patients and customers in a retail setting and Hospice does not believe it is required to provide additional goods or services related to that sale.

Hospice determines the transaction price based on the standard charges for goods and services provided, reduced by contractual adjustments provided to third-party providers, discounts provided to uninsured patients in accordance with Hospice's policy and or/ implicit price concessions provided to patients. Hospice determines its estimates of contractual adjustments based on contractual agreements, its policies, and historical experience. Hospice determines its estimates of implicit price concessions based on its historical collection experience.

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known. For the years ended December 31, 2023 and 2022, net patient service revenue was derived from billings to Medicare, Medicaid, and commercial insurance companies.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

Income Taxes:
All entities are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"). Donors may deduct contributions made to each separate organization, as permitted by the IRC. Each separate organization files an Internal Revenue Service ("IRS") Form 990 and respective state and local tax returns. The Organization has determined that it has registered in all states where it is required to be registered. The Organization may be subject to federal income tax on any unrelated business income.

The Organization evaluated its activities for any unrelated business income and for any uncertain tax positions and has determined that neither existed for the years ended December 31, 2023 and 2022.

Functional Allocation of Expenses:
Functional expenses for shared costs have been allocated between program services and support services based on an analysis of personnel time, space utilized, and other equitable bases for the related activities.

The allocation methodologies utilized for the Organization's major expenses are as follows:

Expense	**Method of Allocation**
Salaries	Time and effort
Payroll taxes and employee benefits	Based upon salaries
Rent	Square footage utilized
Utilities	Square footage utilized
Supplies	Based on usage
Depreciation and amortization	Directly based on usage

Reclassification:
Several accounts on the 2022 consolidated financial statements were reclassified to conform to the current consolidated financial statement presentation. This include the presentation of cash overdrafts, detail of certain receivable balances on the consolidated statement of financial position, separate disclosure of inventory which was previously included in prepaid expenses and other current assets, and a break out of consolidated statement of functional expenses, as required as accounting principles generally accepted in the United States. In addition, as outlined in Note 18, certain prior period adjustments were made.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Recently adopted accounting pronouncements:

During the year ended December 31, 2023, the Organization was required to adopt Accounting Standards Codification ("ASC") Topic 326, *Measurement of Credit Losses on Financial Instruments*, for all assets held at amortized cost basis. Under this approach, the Organization is required to record an estimate of all expected credit losses.

The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. There was no impact on the Organization's consolidated financial statements with respect to the adoption of this ASC.

During the year ended December 31, 2023, the Organization adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASC") 2016-02, *Leases* (Topic 842) using the modified retrospective approach. Under ASU 2016-02 the Organization is required to recognize leases of the consolidated statements of financial position and disclose key information about leasing arrangements. Topic 842 was subsequently amended by ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU 2018-10, Codification Improvements to Topic 842, Leases; and ASU 2018-11, Targeted Improvements. During the year ended December 31, 2023 the Organization has adopted ASC 842, as the only leases are intercompany leases and there are no leases with outside parties across the various entities within the Organization, intercompany leases have been eliminated in consolidation. Intercompany leases have also been disclosed in full, without elimination, within the individual entity's financial statements.

NOTE 3 - HOUSING ASSISTANCE PAYMENT CONTRACT AGREEMENT

The Federal Housing Administration ("FHA") has contracted with the Housing Company under Section 8 of Title II of the Housing and the Community Development Act of 1974, to make housing assistance payments to the Housing Company on behalf of the qualified tenants. The agreement expires on October 31, 2030. The Housing Company is awaiting HUD approval to transfer its license and sell its building, land, and operations to an unrelated third party.

NOTE 4 – RESERVE FOR REPLACEMENT

The Housing Company is required to make monthly deposits into a replacement reserve, which is included in restricted cash on the statement of financial position. For the year ended December 31, 2023, the Housing Company made monthly required deposits in the amount of $3,585, for a total of $43,020. For the year ended December 31, 2022, the Housing Company made two required deposits of $3,585, and 10 required deposits of $3,545, for a total of $42,620. These funds cannot be utilized without the permission of HUD.

NOTE 4 – RESERVE FOR REPLACEMENT (continued)

In addition, during 2023, the Housing Company spent, with the approval of HUD, $5,875 from the reserve fund for repairs to the units.

NOTE 5 – PENSION PLANS

The Organization participates in a salary deferral 401(k) plan covering eligible employees as outlined in the plan document. The Organization may elect to contribute 25% of employee contributions up to 4% of compensation. There were no contributions to the 401(k) for the years ended December 31, 2023 or 2022.

NOTE 6 – AVAILABILITY AND LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs. For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization considers all expenditures related to its ongoing activities as well as services undertaken to support those activities to be general expenditures.

The following represents the Organization's financial assets available for general operations, within one year of the financial position date at December 31,:

	2023	2022
Financial assets at year-end:		
Cash and cash equivalents – without donor restrictions	$ 461,135	$ 434,580
Investments – without donor restrictions	334,952	1,711,046
Inventory	167,070	376,648
Accounts receivable, net of allowance	1,280,214	1,209,398
Accounts receivable, other	178,878	335,425
Financial assets available to meet general expenditures over the next twelve months	$ 2,422,249	$ 4,067,097

The Organization monitors liquidity and cash flows on an ongoing basis to ensure an appropriate amount of cash and cash equivalents are available to meet current expenditures as they become due.

NOTE 7 – ASSETS HELD FOR SALE

During the year ended December 31, 2023, the Organization's Board of Directors approved the sale of the building and related operations of the Housing Company to an unrelated nonprofit organization. These assets have been separately presented on the accompanying consolidated statement of financial position as assets held for sale and have a carrying value of $1,525,422. The Organization entered into a contract to sell the building and operations for $18,650,000.

NOTE 7 – ASSETS HELD FOR SALE *(continued)*

The Organization is awaiting approval from HUD to transfer the license and related assets of the Housing Company. Subsequent to year end, the Organization was advanced $1,500,000 from the potential buyer to help fund operations. In exchange, the Organization agreed to a $100,000 reduction in the contracted sales price of the Housing Company.

NOTE 8 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31,:

	2023	2022
Land and Land Improvements	$ 1,591,576	$ 1,714,539
Building and improvements	19,393,089	26,960,444
Furniture and Fixtures	2,011,672	2,426,132
Equipment and Vehicles	12,813,145	13,432,065
Vehicles	495,935	501,155
Property and equipment, at cost	36,305,417	45,034,335
Less: accumulated depreciation	(23,872,358)	(30,378,587)
Total net property and equipment	$ 12,433,059	$ 14,655,748

As outlined in Note 7, during the year ended December 31, 2023, the Organization elected to sell the property and the related assets of the Housing Company. These assets are included in assets held for sale in the consolidated statement of financial position as of December 31, 2023. As the decision to sell such assets was not made until subsequent to December 31, 2022, no such amounts were considered held for sale on the consolidated statement of financial position as of December 31, 2022.

NOTE 9 - INVESTMENTS

As described in Note 2, the Organization is required to disclose the fair value hierarchy of the Organization's investments.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of December 31,:

	2023	2022
Level 1	$ 629,201	$ 2,041,756
Level 2	-	-
Level 3	15,586	15,586
Total	$ 644,787	$ 2,057,342

NOTE 9 – INVESTMENTS (*continued*)

For the years ended December 31, 2023 and 2022, level 1 investments include both investments and restricted investments while level 3 reflects only the privately held investment on the accompanying statements of financial position.

Recurring Measurements:
The following is a description of the valuation methodology used for the fair value measurements of assets and liabilities recognized in the statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2023 and 2022:

- Money Market and Mutual Funds: Valued at the net asset value ("NAV") of shares (basis for trade) held by the Organization. Money Markets and Mutual Funds are considered a Level 1 investment.
- Common Stock: Valued at the closing price reported on the active market on which the individual securities are traded. Common stocks are considered a Level 1 investment.
- Exchange Traded Funds ("ETFs"): Valued at the NAV of shares (basis for trade) held by the Organization at closing price reported on the active market on which the individual ETFs are traded. Exchange traded funds are considered a Level 1 investment.
- Certificates of Deposits: Valued at their face value. Upon maturity, the investor receives the full face value. Certificates of Deposits are considered a Level 1 investment.
- Privately held investment funds: Recorded at cost plus measurable changes in market value minus impairment. During the year ended December 31, 2023 and 2022, there were no impairments recorded. Privately held investment funds are Level 3 investments.

For the years ended December 31, 2023 and 2022, the Foundation owns a 24.6% interest in Weirton Associates, LTD., a housing property for the elderly located in West Virginia as a limited partner. The Organization has no influence over operations, and they are accounting for this interest on the cost-basis. For both years ended December 31, 2023, and 2022, the investment in Weirton Associates, LTD was valued at $15,586. The Organization believes its valuation methods are appropriate and consistent with other market participants.

The Organization measures its investments at fair value on a recurring basis in accordance with accounting principles generally accepted in the United States of America.

NOTE 9 – INVESTMENTS *(continued)*

Investments, restricted investments, and privately held investments consisted of the following for the years ended December 31,:

	2023	2022
Mutual Funds	$ 21,965	$ -
Cash and equivalents	-	491,907
Common Stock	-	642,710
Exchange Traded Funds	607,236	158,187
Certificates of Deposit	-	748,952
Privately Held Investments	15,586	15,586
Subtotal	644,787	2,057,342
Less: restricted investments	(294,249)	(330,710)
Unrestricted investments	$ 350,538	$ 1,726,632

The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date.

NOTE 10 – LONG-TERM DEBT

Long-term debt consisted of the following at June 30:

	2023	2022
Bonds (a)	$ 1,855,000	$ 2,540,000
Bonds (b)	2,358,039	2,721,356
Letter of credit (c)	685,000	-
Long-term debt balances	4,898,039	5,261,356
Less: unamortized debt issuance costs	(44,692)	(52,461)
Subtotal	4,853,347	5,208,895
Less: current installments	(2,910,180)	(1,048,350)
Total long-term debt	$ 1,943,167	$ 4,160,545

A) In November 2001, the New Jersey Economic Development Authority ("NJEDA") issued $15,475,000 of variable rate, tax exempt revenue bonds (Geriatric Services Housing Corporation – CNJJHA Assisted Living Project – Series 2001) to help pay for a portion of the estimated costs to construct, equip, and staff Stein AL. Under the terms of the bond indenture agreement and the loan agreement between Stein AL and NJEDA, the bonds require monthly payment at variable interest rates pegged to market as determined by the remarketing agent on a weekly basis. The maximum variable interest rate may not exceed 10% per annum as long as the letter of credit (as defined in C below) is in effect. Under certain conditions, Stein AL can elect to convert the bonds to a fixed interest rate. The bonds are set to mature in November 2025.

NOTE 10 – LONG-TERM DEBT *(continued)*

Repayment of the bonds is guaranteed by both an irrevocable letter of credit and by the Foundation ("guarantor"), an affiliated entity. The guarantor's liability under the guarantee is limited to $1,500,000 at both December 31, 2023 and 2022.

As of December 31, 2023, and 2022, Stein AL owed $1,855,000 and $2,540,000, respectively, on the bonds. In addition, Stein AL owed $685,000 to the letter of credit for covering the November 2023 payment. There was no balance on the letter of credit as of December 31, 2022. See C below. As outlined in Note 7, the Organization has entered into an agreement to sell the Housing Company, which is awaiting approval from HUD. A portion of the proceeds of this sale will be used to pay off the bonds and the related letter of credit.

B) This balance represents a mortgage with a commercial bank providing collateral for revenue bonds issued by the Somerset County Improvement Authority on behalf of the Housing Company. The revenue bonds are wholly owned by the commercial bank.

In 2014, the mortgage was refinanced for the amount of $5,185,620, which included additional funds for the construction project and new windows for the facility. The debt is secured by all of the assets of the Housing Company and is payable in monthly installments of $38,832 including interest at 3.961% through November 2029.

C) On August 10 2011, Stein AL entered into a letter of credit and reimbursement agreement with a commercial bank to provide an alternate credit facility for the original letter of credit. The face amount of the letter of credit was $12,250,000, which is made up of principal at the time, in the amount of $12,055,000 and interest of $195,000. Any drawdowns on the letter of credit are due on demand. If not paid within 120 days, the draw down can be refinanced and converted to a term loan with the commercial bank at the prevailing market terms for similar term loans. The letter of credit is secured by substantially all assets of Stein AL and a compensating balance agreement.

The letter of credit, which expires on August 9, 2024, can be withdrawn at the option of the bank if Stein AL elects to convert the bonds to a fixed interest rate. As outlined above, as of December 31, 2023, the letter of credit has an outstanding balance of $685,000. There are no amounts outstanding under the letter of credit at December 31, 2022. The letter of credit agreement contains a number of financial and nonfinancial covenants, which require Stein AL and the Guarantor to maintain certain financial ratios and attain other performance targets. Stein AL must comply with various financial covenants, the most restrictive of which require maintaining a debt service coverage of 1.25 and at least 75 days cash on held.

NOTE 10 – LONG-TERM DEBT *(continued)*

For the years ended December 31, 2023 and 2022, Stein AL is not in compliance with the covenant terms regarding the minimum number of days in cash. For the year ended December 31, 2023, Stein AL did not receive a waiver, as Stein AL plans to pay off the debt with the proceeds from the sale of the Housing Company. As a result, the full amount of the outstanding debt has been reflected as current within the consolidated statement of financial position. For the year ended December 31, 2022, Stein AL obtained a waiver.

As of December 31, 2023, the future minimum debt principle payments are as follows for the years ending December 31,:

2024	$ 2,917,953
2025	393,674
2026	409,778
2027	426,540
2028	443,912
Thereafter	306,182
Total future principal payments	4,898,039
Less: future amortization of capitalized mortgage costs	(44,692)
Total long-term debt	$ 4,853,347

As of December 31 2022, the future minimum debt principle payments are as follows for the years ending December 31,:

2023	$ 1,048,350
2024	1,097,953
2025	1,153,674
2026	784,778
2027	426,540
Thereafter	750,061
Total future principal payments	5,261,356
Less: future amortization of capitalized mortgage costs	(52,461)
Total long-term debt	$ 5,208,895

The total interest expense on long-term debt for the fiscal years ended December 31, 2023 and 2022 was $227,168 and $180,115, respectively, which includes amortization of debt issuance costs of $7,773 for the fiscal years ended December 31, 2023 and 2022. Unamortized debt issuance costs at December 31, 2023 and 2022, were $44,692 and $52,461, respectively.

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2023 and 2022 are comprised of donations which require passage of time or the fulfillment of specific actions by the Organization in order to satisfy the asset restriction. The net assets with donor restrictions are summarized as follows at December 31,:

	2023	2022
Endowment (See Note 12)	$ 294,249	$ 330,710
Main Street	362,048	362,048
Adult Day Care	145,007	145,007
Hospice	220,323	220,323
Other	153,836	153,836
Total	$ 1,175,463	$ 1,211,924

Earnings on net assets with donor-imposed restrictions that are temporarily in nature are available for general operations. Net assets with donor restrictions that are maintained in perpetuity are disclosed in Note 12.

NOTE 12 – ENDOWMENT

The Organization has one permanent endowment held by Foundation for the benefit of Hospice, the income from which is available to support Hospice's operations. Distributions to Hospice are limited to 5% of the rolling three-year average value of the investment portfolio. Funds held in the endowment in excess of this amount are reflected as restricted funds, pursuant to the spending policy. During the year ended December 31, 2023, the donor approved an additional release from the endowment in the amount of $70,000 to be used for Hospices' palliative care program.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to Hospice while seeking to maintain the purchasing power of the endowment assets.

Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity. Under this policy, as approved by the board of trustees, the endowment assets are invested in a manner that is intended to produce results that match or exceed a blended benchmark of domestic and international equities, cash, hedge funds, and inflation hedging investments while assuming a moderate level of investment risk. The Organization expects its endowment funds, over time, to provide an average rate of return of approximately 6 to 8 percent annually. Actual returns in any given year may vary from this amount.

The Organization relies on total return strategy in which investment returns are achieved through both capital appreciation and current year dividends.

NOTE 12 – ENDOWMENT *(continued)*

The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. As of the years ended December 31, 2023 and 2022, the Organization did not have such deficiency.

Below is a summary of the change in the endowment for the year ended December 31, 2023:

	Other (available for distribution)	In Perpetuity	Total
Endowment net assets, beginning	$ 80,710	$ 250,000	$ 330,710
Investment earnings	51,075	-	51,075
Appropriated for expenditure	(87,536)	-	(87,536)
Endowment net assets, ending	$ 44,249	$ 250,000	$ 294,249

Below is a summary of the change in the endowment for the year ended December 31, 2022:

	Other (available for distribution)	In Perpetuity	Total
Endowment net assets, beginning	$ 168,334	$ 250,000	$ 418,334
Investment losses	(70,087)	-	(70,087)
Appropriated for expenditure	(17,537)	-	(17,537)
Endowment net assets, ending	$ 80,710	$ 250,000	$ 330,710

NOTE 13 – COMMITMENTS AND CONTINGENCIES

There is $1 included in other assets on the consolidated statements of financial position to reflect the value of 26 cemetery plots that were donated to the Foundation as well as the value of a house in Florida that will be transferred to the Foundation upon the death of the current owner.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The Organization believes it is in compliance with all applicable laws and regulations and is not aware of any current pending or threatened investigations involving allegations of potential wrongdoing.

NOTE 13 – COMMITMENTS AND CONTINGENCIES *(continued)*

Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs.

NOTE 14 – RELATED PARTY TRANSACTIONS

Rent:
On April 1, 2019, Foundation (lessor) signed a 5-year rental agreement with a related entity Hospice (lessee). The rental agreement, which expired on April 1, 2024, calls for yearly payments of $72,000, with yearly 3% escalations. On April 1, 2024, Foundation renewed the lease for an additional 5-year term with Hospice, which calls for yearly rental payments of $90,000.

In addition, Foundation rents space to two other related entities for the use of office space within its building. These rents, which total $79,800 for both years ended December 31, 2023 and 2022, do not have formal written agreements between Foundation and the related entities. The Foundation treats these as month-to-month leases. All intercompany lease transaction amounts are eliminated in consolidation.

Shared employees:
During the years ended December 31, 2023 and 2022, employees are allocated between entities based on time spent working within each entity. However, employees are still paid by their respective employer entity. The employer entity is then reimbursed through intercompany transfers by the entity to which the employee is allocated.

Other:
Throughout the course of the year, Campus provides certain financial and management consulting services to the entities. Payments received for management services depend on the agreed upon budgeted cost per entity. The amounts paid for management services to Campus vary per entity, and equated to $1,442,000 and $1,486,500, respectively for the years ended December 31, 2023 and 2022. All intercompany transaction are eliminated in consolidation.

NOTE 15 – LEASE AGREEMENTS

The Center leased the skilled nursing facility to Regency for an initial term of 20 years, subject to a 10-year renewal at terms substantially similar to the original lease (“the agreement”). Regency is responsible for all operations of the Center including patient care, billing, and operating costs and normal repairs and maintenance. The agreement requires Regency to pay an amount of rent equal to its annual facilities allowance (as determined by Medicaid) plus a flat charge based on a minimum number of beds.

NOTE 15 – LEASE AGREEMENTS *(continued)*

The agreement also provides for a $100,000 per annum credit for the first five years of the lease and an annual 1.5% escalation of the flat charge. For both years ended December 31, 2023 and 2022, rental income from the Regency contract was $1,161,137, which is included in the consolidated statements of activities and changes in net assets as rental income. During the course of the year, the Center donates 80% of the rental income to the Foundation. This amount is eliminated upon consolidation.

NOTE 16 – COVID-19 REVENUE

Employee Retention Tax Credits:
Stein AL amended their tax filings in order to request $1,212,396 in Employee Retention Tax Credits (hereinafter "ERTC") for the first, second, and third quarters of 2021. In addition, Stein AL collected $112,581 in interest income relating to the refunds of ERTC funds. For the year ended December 31, 2023, $1,324,977 ERTC revenue and the related interest income is included in COVID-19 revenue in the statement of activities and changes in net assets. There was no ERTC revenue earned during the year ended December 31, 2022.

NOTE 17 – CONCENTRATIONS OF RISK

Cash:
The Organization maintains cash and cash equivalents, which, at times, may exceed federally insured limits. Due to recent bank failures and other uncertainties affecting the banking sector, there may be greater financial and liquidity risk for uninsured deposits impacted by these bank failures. The Organization has not experienced any losses from maintaining cash and cash equivalents in excess of federally insured limits. Although the Federal Deposit Insurance Corporation (“FDIC”) has taken significant steps surrounding any potential future failures and their impacts on uninsured deposits in terms of both guarantees and the ability to access funds timely. Management believes it is not subject to any significant credit risk on its cash accounts and cash equivalents.

Revenue:
The composition of net patient/resident service revenues by payors are as follows for the year ending December 31,:

	2023	2022
Medicaid	$ 1,299,499	$ 996,743
Medicare	3,788,053	3,458,390
Private insurance and other	4,599,627	4,332,219
Total	$ 9,687,179	$ 8,787,352

NOTE 17 – CONCENTRATIONS OF RISK (continued)

Accounts receivable, net of allowance:
The composition of accounts receivable, net of allowance, by payor are as follows as of December 31,:

	2023	2022
Medicare	$ 400,100	$ 346,515
Medicaid	168,601	138,083
Private insurance and other	394,187	321,224
Due for congregate services	9,641	11,003
Grant receivable	16,400	24,544
Rent receivable	354,504	424,983
Subtotal	1,343,433	1,266,352
Less: allowance for doubtful accounts	(63,219)	(56,954)
Total	$ 1,280,214	$ 1,209,398

For the years ended December 31, 2023 and 2022, Medicare consisted of 31% and 28% of total accounts receivable, net of allowance, respectively.

NOTE 18 – PRIOR PERIOD ADJUSTMENT

During the year ended December 31, 2023, there were several prior period adjustments to correct opening balances as of December 31, 2022, which had a cumulative impact resulting in a increase in net assets of $15,585 as of December 31, 2022. The following represents additions (subtractions) to net assets:

	Unrestricted	Restricted	Total
Opening net assets, as restated	$ 16,219,068	$1,306,563	$17,525,631
To correctly state investments	15,586	-	15,586
To correctly state endowed funds	250,000	(250,000)	-
Other adjustments	4,602	(4,603)	(1)
To properly state net assets with donor restrictions	(247,588)	247,588	-
Beginning net assets, as of January 1, 2022, as restated	$ 16,241,668	$1,299,548	$17,541,216

NOTE 19 – SUBSEQUENT EVENTS

The Organization has evaluated events and transactions that occurred between January 1, 2024 and June 27, 2024, which is the date the consolidated financial statements were available to be issued, for possible disclosure and recognition in the financial statements, and noted as follows:

As outlined in Note 7, the Housing Company is awaiting HUD approval to transfer its license and sell its building, land, and operations. No such approval has been obtained through the date of this report. The proceeds from the sale of the Housing Company's operations will be used to repay of Stein AL's outstanding bond obligation and letter of credit and the Housing Company's bond obligation. The purchaser of the Housing Company agreed to make a $1,500,000 advance in exchange for a $100,000 reduction in the sales price.

SUPPLEMENTARY INFORMATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

	The Oscar and Ella Wilf Campus for Senior Living, Inc.	The Martin and Edith Stein Assisted Living Residence, Inc.	The Martin and Edith Stein Hospice	The Lena and David T. Wilentz Senior Residence, Inc.	The Jewish Home and Healthcare Center, Inc.	The Foundation of the Oscar and Ella Wilf Campus for Senior Living, Inc.	Wilf at Home	WILF Transport	Eliminations	Consolidated
ASSETS										
Current Assets:										
Cash and cash equivalents	$ 23,298	$ 9,434	$ 313,578	$ 4,865	$ 1,278	$ 106,182	$ 2,000	$ 500	$ -	$ 461,135
Restricted cash, residents' personal needs	-	3,643	-	-	-	-	-	-	-	3,643
Investments	-	-	-	-	-	334,952	-	-	-	334,952
Inventory	167,070	-	-	-	-	-	-	-	-	167,070
Accounts receivable, net of allowance	-	445,454	454,215	26,041	354,504	-	-		-	1,280,214
Accounts receivable, other	-	22,047		-	-	-	86,310	70,521		178,878
Due from affiliates	1,238,884	29,876	20,215	-	350,998	39,622	55,580	-	(1,735,175)	-
Right-of-use asset - lease agreement with affiliate	-	-	19,820	-	-	21,014	-	-	(40,834)	-
Prepaid expenses and other current assets	20,437	32,872	18,579	12,704	-	5,410	-	23,232	-	113,234
TOTAL CURRENT ASSETS	1,449,689	543,326	826,407	43,610	706,780	507,180	143,890	94,253	(1,776,009)	2,539,126
Replacement reserve	-	-	-	71,911	-	-	-	-	-	71,911
Restricted cash, residents' personal needs	-	275,408	-	-	-	-	-	-	-	275,408
Tenant deposits held in trust	-	-	-	30,378	-	-	-	-	-	30,378
Restricted investments	-		-	-	-	294,249	-	-	-	294,249
Privately held investments	-	-	-	-	-	15,586	-	-	-	15,586
Finance lease right-of-use-assets	-	-	-	-	-	-	-	-	-	-
Assets held for sale	-	-	-	1,525,422	-	-	-	-	-	1,525,422
Property and equipment, net	-	7,870,866	-	-	74,658	4,438,275	-	49,260	-	12,433,059
TOTAL ASSETS	$ 1,449,689	$ 8,689,600	$ 826,407	$ 1,671,321	$ 781,438	$ 5,255,290	$ 143,890	$ 143,513	$ (1,776,009)	$ 17,185,139
LIABILITIES AND NET ASSETS										
Current Liabilities:										
Cash overdraft	$ -	$ -	$ -	$ -	$ -	$ -	$ 16,385	$ 7,730	$ -	$ 24,115
Current portion of finance lease liability	-	-	-	-	-	-	-	-	-	-
Current portion of long term debt	-	2,540,000	-	370,180	-	-	-	-	-	2,910,180
Accounts payable and accrued expenses	454,485	489,294	322,547	84,786	-	27,451	32,557	12,714	-	1,423,834
Deferred revenue	-	-	-	1,183	-	19,820	-	-	(19,820)	1,183
Reisdents' personal needs	-	2,200	-	-	-	-	-	-	-	2,200
Other current liabilities	-	-	-	-	-	-	-	-	-	-
Right-of-use liability - due to affiliate	-	-	21,014	-	-	-	-	-	(21,014)	-
Due to affiliates	8,029	252,361	375,282	385,764	-	47,230	13,778	652,731	(1,735,175)	-
TOTAL CURRENT LIABILITIES	462,514	3,283,855	718,843	841,913	-	94,501	62,720	673,175	(1,776,009)	4,361,512
Finance lease liability, net of current portion	-	-	-	-	-	-	-	-	-	-
Tenants' deposits	-	-	-	28,421	-	-	-	-	-	28,421
Residents' deposits	-	275,407	-	-	-	-	-	-	-	275,407
Long term debt, net of current portion	-	-	-	1,943,167	-	-	-	-	-	1,943,167
TOTAL LIABILITIES	462,514	3,559,262	718,843	2,813,501	-	94,501	62,720	673,175	(1,776,009)	6,608,507
Net Assets:										
Without donor restrictions	987,175	5,130,338	107,564	(1,142,180)	781,438	3,985,326	81,170	(529,662)	-	9,401,169
With donor restrictions	-	-	-	-	-	1,175,463	-	-	-	1,175,463
TOTAL NET ASSETS	987,175	5,130,338	107,564	(1,142,180)	781,438	5,160,789	81,170	(529,662)	-	10,576,632
TOTAL LIABILITIES AND NET ASSETS	$ 1,449,689	$ 8,689,600	$ 826,407	$ 1,671,321	$ 781,438	$ 5,255,290	$ 143,890	$ 143,513	$ (1,776,009)	$ 17,185,139

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

	The Oscar and Ella Wilf Campus for Senior Living, Inc.	The Martin and Edith Stein Assisted Living Residence, Inc.	The Martin and Edith Stein Hospice	The Lena and David T. Wilentz Senior Residence, Inc.	The Jewish Home and Healthcare Center, Inc.	The Foundation of the Oscar and Ella Wilf Campus for Senior Living, Inc.	Wilf at Home	WILF Transport	Eliminations	Consolidated
ASSETS										
Current Assets:										
Cash and cash equivalents	$ 69,884	28,866	68,076	44,620	36,431	116,513	6,577	63,613	$ -	$ 434,580
Restricted cash, residents' personal needs	-	3,438	-	-	-	-	-	-	-	3,438
Investments	-	-	-	-	-	1,711,046	-	-	-	1,711,046
Inventory	376,648	-	-	-	-	-	-	-	-	376,648
Accounts receivable, net of allowance	-	331,420	417,448	35,547	424,983	-	-	-	-	1,209,398
Accounts receivable, other	112,840	1,490				1,780	184,513	34,802		335,425
Due from affiliates	993,346	19,998	18,349	-	297,000	20,318	41,165	-	(1,390,176)	-
Right-of-use asset - lease agreement with affiliate	-	-	97,777	-	-	103,132	-	-	(200,909)	-
Prepaid expenses and other current assets	28,331	37,804	11,250	15,911	-	6,696	-	15,140	-	115,132
TOTAL CURRENT ASSETS	1,581,049	423,016	612,900	96,078	758,414	1,959,485	232,255	113,555	(1,591,085)	4,185,667
Replacement reserve	-	-	-	34,766	-	-	-	-	-	34,766
Restricted cash, residents' personal needs		218,151	-	-	-	-	-	-	-	218,151
Tenant deposits held in trust	-	-	-	25,913	-	-	-	-	-	25,913
Restricted investments	-	-	-	-	-	330,710.00	-	-	-	330,710
Privately held investments	-	-	-	-	-	15,586	-	-	-	15,586
Finance lease right-of-use assets	14,234	13,920	1,181	13,876	-	-	-	-	-	43,211
Assets held for sale	-	-	-	-	-	-	-	-	-	-
Property and equipment, net	-	8,368,500	-	1,694,147	136,726	4,390,695	-	65,680	-	14,655,748
TOTAL ASSETS	$ 1,595,283	$ 9,023,587	$ 614,081	$ 1,864,780	$ 895,140	$ 6,696,476	$ 232,255	$ 179,235	$ (1,591,085)	$ 19,509,752
LIABILITIES AND NET ASSETS										
Current Liabilities:										
Cash overdraft	$ -	$ 222,650	$ -	$ -	$ -	$ -	5,243	$ -	$ -	$ 227,893
Current portion of finance lease liability	-	8,189	1,318	8,172	-	-	-	-	-	17,679
Current portion of long term debt	-	685,000	-	363,350	-	-	-	-	-	1,048,350
Accounts payable and accrued expenses	245,537	237,324	152,241	39,408	-	3,988	23,500	723	-	702,721
Deferred revenue	-	-	-	-	-	97,777	-	-	(97,777)	-
Reisdents' personal needs	-	2,170	-	-	-	-	-	-	-	2,170
Other current liabilities	-	-	-	-	-	-	-	-	-	-
Right-of-use liability - due to affiliate	-	-	103,132	-	-	-	-	-	(103,132)	-
Due to affiliates	15,022	157,021	92,028	330,882	-	22,140	13,907	759,176	(1,390,176)	-
TOTAL CURRENT LIABILITIES	260,559	1,312,354	348,719	741,812	-	123,905	42,650	759,899	(1,591,085)	1,998,813
Finance lease liability, net of current portion	6,349	6,349	-	6,345	-	-	-	-	-	19,043
Tenants' deposits	-	-	-	25,913	-	-	-	-	-	25,913
Residents' deposits	-	218,151	-	-	-	-	-	-	-	218,151
Long term debt, net of current portion	-	1,855,000	-	2,305,545	-	-	-	-	-	4,160,545
TOTAL LIABILITIES	266,908	3,391,854	348,719	3,079,615	-	123,905	42,650	759,899	(1,591,085)	6,422,465
Net Assets:										
Without donor restrictions	1,328,375	5,631,733	265,362	(1,214,835)	895,140	5,360,647	189,605	(580,664)	-	11,875,363
With donor restrictions	-	-	-	-	-	1,211,924	-	-	-	1,211,924
TOTAL NET ASSETS	1,328,375	5,631,733	265,362	(1,214,835)	895,140	6,572,571	189,605	(580,664)	-	13,087,287
TOTAL LIABILITIES AND NET ASSETS	$ 1,595,283	$ 9,023,587	$ 614,081	$ 1,864,780	$ 895,140	$ 6,696,476	$ 232,255	$ 179,235	$ (1,591,085)	$ 19,509,752

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
DECEMBER 31, 2023

	The Oscar and Ella Wilf Campus for Senior Living, Inc.	The Martin and Edith Stein Assisted Living Residence, Inc.	The Martin and Edith Stein Hospice	The Lena and David T. Wilentz Senior Residence, Inc.	The Jewish Home and Healthcare Center, Inc.	The Foundation of the Oscar and Ella Wilf Campus for Senior Living, Inc.	Wilf at Home	WILF Transport	Eliminations	Consolidated
REVENUE:										
WITHOUT DONOR RESTRICTIONS:										
Net patient/resident service revenues	$ -	$ 5,334,480	$ 4,352,699	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,687,179
Home care revenue	-	-	-	-	-	-	553,318	-	-	553,318
Tenant revenue	-	-	-	1,730,615	-	-	-	-	-	1,730,615
Congregate revenue		-	-	127,853	-	-	-	-	-	127,853
Rental income		-	-	-	1,161,136	147,639	-	-	(147,639)	1,161,136
COVID-19 revenue	-	1,324,977	-	-	-	-	-	-	-	1,324,977
Investment income	-	-	-	-	-	21,437	-	-	-	21,437
Net assets released from restrictions for operations	-	-	-	-	-	87,536	-	-	-	87,536
Management fee icome	1,442,000	-	-	-	54,000	-	-	-	(1,496,000)	-
Transportation income	-	-	-	-	-	-	-	377,438	-	377,438
Contributions from Affiliates	-	1,520,019	377,368	-	-	1,225,890	30,000	215,000	(3,368,277)	-
Contributions - other	-	-	-	-	-	540,609	-	14,402	-	555,011
Other income	3,650	166,675	261	77,704	-	118	-	10	-	248,418
TOTAL REVENUE WITHOUT DONOR RESTRICTIONS	1,445,650	8,346,151	4,730,328	1,936,172	1,215,136	2,023,229	583,318	606,850	(5,011,916)	15,874,918
WITH DONOR RESTRICTIONS:										
Investment income	-	-	-	-	-	51,075	-	-	-	51,075
Net assets released from restrictions for operations	-	-	-	-	-	(87,536)	-	-	-	(87,536)
TOTAL REVENUE WITH DONOR RESTRICTIONS	-	-	-	-	-	(36,461)	-	-	-	(36,461)
TOTAL REVENUE	$ 1,445,650	$ 8,346,151	$ 4,730,328	$ 1,936,172	$ 1,215,136	$ 1,986,768	$ 583,318	$ 606,850	$ (5,011,916)	$ 15,838,457
EXPENSES:										
Program services	$ 285,047	$ 7,786,243	$ 3,787,815	$ 1,691,714	$ 1,280,832	$ 3,135,840	$ 602,868	$ 516,868	$ (4,227,975)	$ 14,859,252
Management and general	1,499,730	722,230	1,026,538	171,803	48,006	213,578	88,885	38,980	(699,919)	3,109,831
Fundraising	2,073	339,073	73,773	-	-	49,132	-	-	(84,023)	380,028
TOTAL EXPENSES	1,786,850	8,847,546	4,888,126	1,863,517	1,328,838	3,398,550	691,753	555,848	(5,011,916)	18,349,112
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(341,200)	(501,395)	(157,798)	72,655	(113,702)	(1,375,321)	(108,435)	51,002	0	(2,474,194)
Net assets beginning of year, as restated	1,328,375	5,631,733	265,362	(1,214,835)	895,140	5,360,647	189,605	(580,664)	-	11,875,363
Net assets, end of year	$ 987,175	$ 5,130,338	$ 107,564	$ (1,142,180)	$ 781,438	$ 3,985,326	$ 81,170	$ (529,662)	$ -	$ 9,401,169
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	-	-	-	-	-	(36,461)	-	-	-	(36,461)
Net assets with donor restictions, beginning of year	-	-	-	-	-	1,211,924	-	-	-	1,211,924
Net assets with donor restrictions, end of year	$ -	$ -	$ -	$ -	$ -	$ 1,175,463	$ -	$ -	$ -	$ 1,175,463

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
DECEMBER 31, 2022

	The Oscar and Ella Wilf Campus for Senior Living, Inc.	The Martin and Edith Stein Assisted Living Residence, Inc.	The Martin and Edith Stein Hospice	The Lena and David T. Wilentz Senior Residence, Inc.	The Jewish Home and Healthcare Center, Inc.	The Foundation of the Oscar and Ella Wilf Campus for Senior Living, Inc.	Wilf at Home	WILF Transport	Eliminations	Consolidated
REVENUE:										
WITHOUT DONOR RESTRICTIONS:										
Net patient/resident service revenues	$ -	$ 4,812,198	$ 3,975,154	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,787,352
Home care revenue	-	-	-	-	-	-	442,356	-	-	442,356
Tenant revenue	-	-	-	1,702,137	-	-	-	-	-	1,702,137
Congregate revenue	-	-	-	133,414	-	-	-	-	-	133,414
Rental income	-	-	-	-	1,161,136	151,800	-	-	(151,800)	1,161,136
COVID-19 revenue	-	174,258	-	-	-	-	-	-	-	174,258
Investment income	-	-	-	-	-	(666,762)	-	-	-	(666,762)
Net assets released from restriction for operations	-	-	-	-	-	17,537	-	-	-	17,537
Management fee icome	1,486,500	-	-	-	54,000	-	-	-	(1,540,500)	-
Transportation income	-	-	-	-	-	-	-	327,092	-	327,092
Contributions from Affiliates	-	3,066,034	9,766	-	-	1,242,643	144,381	50,000	(4,492,064)	20,760
Contributions - other	-	-	-	-	-	64,827	-	14,633	-	79,460
Other income	1,215	141,396	438	52,458	-	27	-	82,980	-	278,514
TOTAL REVENUE WITHOUT DONOR RESTRICTIONS	1,487,715	8,193,886	3,985,358	1,888,009	1,215,136	810,072	586,737	474,705	(6,184,364)	12,457,254
WITH DONOR RESTRICTIONS:										
Investment income	-	-	-	-	-	(70,087)	-	-	-	(70,087)
Net assets released from restriction for operations	-	-	-	-	-	(17,537)	-	-	-	(17,537)
TOTAL REVENUE WITH DONOR RESTRICTIONS	-	-	-	-	-	(87,624)	-	-	-	(87,624)
TOTAL REVENUE	$ 1,487,715	$ 8,193,886	$ 3,985,358	$ 1,888,009	$ 1,215,136	$ 722,448	$ 586,737	$ 474,705	$ (6,184,364)	$ 12,369,630
EXPENSES:										
Program services	$ 104,088	$ 6,830,709	$ 3,946,319	$ 1,646,209	$ 1,309,119	$ 4,275,559	$ 478,972	$ 505,688	$ (5,308,590)	$ 13,788,073
Management and general	1,539,214	813,640	468,821	168,601	48,530	230,558	86,606	93,003	(782,165)	2,666,808
Fundraising	-	201,422	223,665	-	-	37,200	-	-	(93,609)	368,678
TOTAL EXPENSES	1,643,302	7,845,771	4,638,805	1,814,810	1,357,649	4,543,317	565,578	598,691	(6,184,364)	16,823,559
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(155,587)	348,115	(653,447)	73,199	(142,513)	(3,733,245)	21,159	(123,986)	-	(4,366,305)
Net assets beginning of year, as restated	1,483,962	5,283,618	918,809	(1,288,034)	1,037,653	9,093,892	168,446	(456,678)	-	16,241,668
Net assets, end of year	$ 1,328,375	$ 5,631,733	$ 265,362	$ (1,214,835)	$ 895,140	$ 5,360,647	$ 189,605	$ (580,664)	$ -	$ 11,875,363
CHANGE IN NET ASSETS WITHDONOR RESTRICTIONS	-	-	-	-	-	(87,624)	-	-	-	(87,624)
Net assets with donor restictions, beginning of year	-	-	-	-	-	1,299,548	-	-	-	1,299,548
Net assets with donor restrictions, end of year	$ -	$ -	$ -	$ -	$ -	$ 1,211,924	$ -	$ -	$ -	$ 1,211,924