Financial Report – (prepared by the Director of Finance)

May 2021

Income Statement

* Monthly losses continue due to a number of factors:
  + Revenues – as of May 1 we had about 20 empty suites, including 5 DSL suites which will not be available until they have been reconditioned for non-DSL residents
    - This accounts for the Rent revenue shortfall of about $30K per month
    - Move-outs this year have been at about the same pace as move-ins, however with the easing of COVID restrictions we are expecting the pace of move-ins to increase.
  + Expenses – expenses continue to be higher than budgeted in many areas due to the continuing effects of COVID:
    - Kitchen wages and expenses are about $9K over budget per month, partly due to COVID and partly due to increased activities such as the Café
    - Housekeeping wages and expenses are about $13K over budget per month, mostly due to COVID. This will begin to reduce in July as most restrictions are lifted and extra cleaning/sanitizing activities are no longer required
    - In general, Operating Expenses have been higher, some of it due to COVID, and some of it due to the unknowns that the North Wing presented during the budgeting exercise
    - Home Living expenses have been about $20K per month above budget, mostly due to COVID
    - Supportive Living expenses have been about $4K per month above budget, mostly due to COVID
  + Overall – under COVID, we have been seeing about $40K per month more in expenses than budgeted, while outside supports such as government COVID funding have only covered about one third of this burden. This will begin to ease starting in July as restrictions ease, vacancy decreases, and staffing is reduced. At the same time, increased occupancy will get our revenues moving up towards expectations.
  + By the end of June we should be able to see what the remainder of the year will look like in terms of revenues and expenses, and estimate the size of the operating loss for this year.
  + The funds that were donated for the land in the west end will become ‘Other Income’ as soon as the land purchase is concluded and the full purchase price has been paid. This will make our 2021 Financial Statements look very, very good at first glance, but we need to stay vigilant and ensure that we move back to a regular operating surplus each month at Emmanuel Home.

Balance Sheet

* Cash Position
  + As of the end of May, we had a ‘usable’ cash position of about $600K available, which puts us in a very good position for day-to-day needs.
  + We are holding the funds for the land purchase (balance owing is $6,800,000) in a high-interest savings account, and continue to expect a call for these funds in the near future.
* Life Lease
  + This program continues to attract new funds, with another $300K coming in June for a total of $2.6 million.
* Private Loan Program
  + Now that the membership has approved this program, we expect to have a full description of the plan including rates out by early July.