FRIENDSHIP VILLAGE OF MILL CREEK, NFP
DBA: GREENFIELDS OF GENEVA

FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2024 AND 2023

FRIENDSHIP VILLAGE OF MILL CREEK, NFP
DBA: GREENFIELDS OF GENEVA
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YEARS ENDED MARCH 31, 2024 AND 2023

INDEPENDENT AUDITORS' REPORT

Board of Directors
Friendship Village of Mill Creek, NFP
dba: Greenfields of Geneva
Geneva, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Friendship Village of Mill Creek, NFP dba: Greenfields of Geneva, which comprise the balance sheets as of March 31, 2024 and 2023 (Successor), and the related statements of operations and changes in net assets (deficit) without donor restrictions, and cash flows for the year ended March 31, 2024, the period February 1, 2023 to March 31, 2023 (Successor) and the period April 1, 2022 to January 31, 2023 (Predecessor) and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friendship Village of Mill Creek, NFP dba: Greenfields of Geneva as of March 31, 2024 and 2023 (Successor), and the results of its operations, changes in their net assets and cash flows for the year ended March 31, 2024, the period February 1, 2023 to March 31, 2023 (Successor) and the period April 1, 2022 to January 31, 2023 (Predecessor) 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 Financial Statements section of our report. We are required to be independent of Friendship Village of Mill Creek, NFP dba: Greenfields of Geneva 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 – Correction of Error

As discussed in Note 11 to the financial statements, certain errors resulting in the over understatement of amounts previously reported for goodwill, accrued interest and long-term debt as of March 31, 2023, were discovered by management of Friendship Village of Mill Creek, NFP dba Greenfields of Geneva during the current year. Accordingly, the amount reported for goodwill, accrued interest and long-term debt have been restated in the 2024 financial statements now presented. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Friendship Village of Mill Creek, NFP dba: Greenfields of Geneva's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Friendship Village of Mill Creek, NFP dba: Greenfields of Geneva's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Friendship Village of Mill Creek, NFP dba: Greenfields of Geneva's ability to continue as a going concern for a reasonable period of time.

Board of Directors
Friendship Village of Mill Creek, NFP
dba: Greenfields of Geneva

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
September 30, 2024

FRIENDSHIP VILLAGE OF MILL CREEK, NFP
DBA: GREENFIELDS OF GENEVA
BALANCE SHEETS
MARCH 31, 2024 AND 2023 RESTATED (SUCCESSOR)
(IN THOUSANDS)

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 347	$ 2,857
Accounts Receivable:		
Trade	1,380	1,260
Allowance for Credit Losses	(59)	(124)
Lifespace Communities, Inc.	24	-
Inventories	11	11
Prepaid Insurance and Other	191	114
Assets Whose Use is Limited - Current	3,082	2,540
Entrance Fees Receivable	9	9
Total Current Assets	4,985	6,667
Assets Whose Use is Limited - Noncurrent	13,545	10,250
PROPERTY AND EQUIPMENT		
Land and Improvements	9,615	9,615
Buildings and Improvements	83,007	82,389
Furniture and Equipment	1,322	1,285
Construction in Progress	851	-
Subtotal	94,795	93,289
Less: Accumulated Depreciation	3,464	479
Net Property and Equipment	91,331	92,810
GOODWILL, Net of Accumulated Amortization	12,706	15,266
DEFERRED EXPENSES, Net of Accumulated Amortization	70	-
Total Assets	$ 122,637	$ 124,993

See accompanying Notes to Financial Statements.

FRIENDSHIP VILLAGE OF MILL CREEK, NFP
DBA: GREENFIELDS OF GENEVA
BALANCE SHEETS (CONTINUED)
MARCH 31, 2024 AND 2023 RESTATED (SUCCESSOR)
(IN THOUSANDS)

LIABILITIES AND NET DEFICIT	2024	2023
CURRENT LIABILITIES		
Accounts Payable:		
Trade	$ 1,348	$ 874
Lifespace Communities, Inc.	787	190
Total Accounts Payable	2,135	1,064
Accrued Liabilities:		
Employee Compensation Expense	561	404
Interest	2,704	2,005
Property Taxes	561	524
Other	497	78
Total Accrued Liabilities	4,323	3,011
Entrance Fee Refunds	3,715	5,762
Long-Term Debt Due within One Year	771	590
Total Current Liabilities	10,944	10,427
LONG-TERM LIABILITIES		
Entrance Fee Deposits	184	413
Long-Term Debt Due After One Year	70,909	69,568
Deferred Entrance Fees	14,209	14,535
Refundable Entrance Fees	32,892	28,534
Total Long-Term Liabilities	118,194	113,050
Total Liabilities	129,138	123,477
NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS	(6,501)	1,516
Total Liabilities and Net Assets (Deficit) Without Donor Restrictions	$ 122,637	$ 124,993

See accompanying Notes to Financial Statements.

FRIENDSHIP VILLAGE OF MILL CREEK, NFP
DBA: GREENFIELDS OF GENEVA
STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS
YEAR ENDED MARCH 31, 2024, PERIOD FROM FEBRUARY 1, 2023 THROUGH MARCH 31, 2023 RESTATED (SUCCESSOR) AND APRIL 1, 2022 THROUGH JANUARY 31, 2023 (PREDECESSOR)
(IN THOUSANDS)

	Successor		Predecessor
	April 1, 2023 - March 31, 2024	February 1, - March 31, 2023	April 1 2022 - January 31, 2023
REVENUES			
Independent Living Fees	$ 7,773	$ 927	$ 4,853
Skilled Nursing and Assisted Living Fees	11,931	1,819	8,494
Entrance Fees Earned and Nonrefundable Fees	3,499	188	2,093
Total Revenues	23,203	2,934	15,440
EXPENSES			
Operating Expenses:			
Salaries and Benefits	8,172	1,208	6,331
Supplies and Other	4,041	614	2,582
Dietary	3,258	547	454
Professional Fees	1,639	86	3,221
Repairs and Maintenance	657	139	661
Utilities	888	173	623
Insurance	474	4	639
Real Estate Taxes	482	99	350
Depreciation	2,985	479	2,104
Amortization	4,374	414	-
Interest	4,921	754	3,772
Total Expenses	31,891	4,517	20,737
NONOPERATING INCOME			
Gain on Settlement	-	-	1,374
Investment Income	671	99	80
Total Nonoperating Income	671	99	1,454
DEFICIT OF REVENUES OVER EXPENSES	(8,017)	(1,484)	(3,843)
OTHER CHANGES IN NET ASSETS			
Equity Contribution	-	3,000	-
CHANGE IN NET ASSETS	(8,017)	1,516	(3,843)
Net Assets - Beginning of Year	1,516	-	(44,753)
NET ASSETS (DEFICIT) - END OF YEAR	$ (6,501)	$ 1,516	$ (48,596)

See accompanying Notes to Financial Statements.

FRIENDSHIP VILLAGE OF MILL CREEK, NFP
DBA: GREENFIELDS OF GENEVA
STATEMENTS OF CASH FLOWS
YEAR ENDED MARCH 31, 2024, PERIOD FROM FEBRUARY 1, 2023 THROUGH MARCH 31, 2023 RESTATED (SUCCESSOR) AND APRIL 1, 2022 THROUGH JANUARY 31, 2023 (PREDECESSOR)
(IN THOUSANDS)

	Successor		Predecessor
	April 1, - March 31, 2024	February 1, - March 31, 2023	April 1, 2022 - January 31 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in Net Assets (Deficit)	$ (8,016)	$ 1,516	$ (3,843)
Adjustments to Reconcile Change in Net Assets (Deficit) to Net Cash Provided (Used) by Operating Activities:			
Net Unrealized (Gain) Loss on Debt Securities	(159)	(70)	(14)
Depreciation	2,985	479	2,104
Amortization of Deferred Finance Charges	-	-	91
Amortization of Entrance Fees	(3,499)	(188)	(2,093)
Amortization of Entrance Fee Net Present Value Adjustment	2,071	-	-
Amortization of Goodwill	2,295	246	-
Net Contributions from Lifespace Communities, Inc.	-	(3,000)	-
Changes in Assets and Liabilities:			
Deferred Revenue From Nonrefundable Entrance Fees	3,133	958	3,970
Resident Accounts Receivable and Allowance for Credit Losses	(185)	(27)	29
Inventories, Prepaid Expenses, and Other Receivables	(147)	101	(138)
Due to/from Affiliates	573	190	(1,113)
Accounts Payable	474	(281)	26
Accrued Expenses	1,313	(2,068)	2,331
Net Cash Provided (Used) by Operating Activities	838	(2,144)	1,350
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Change of Assets Whose Use is Limited or Restricted	1,830	271	1,077
Acquisition of Land, Buildings, and Equipment	(1,507)	(230)	(469)
Net Cash Provided by Investing Activities	323	41	608
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments on Long-Term Debt	(655)	-	(720)
Net Contributions from Lifespace Communities, Inc.	-	3,000	-
Proceeds from Refundable Entrance Fees	5,109	1,382	5,037
Refunds Paid on Entrance Fees	(5,057)	(3,259)	(4,042)
Net Cash Provided (Used) by Financing Activities	(603)	1,123	275
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	558	(980)	2,233
Cash, Cash Equivalents, and Restricted Cash - Beginning of Period	5,107	6,087	3,854
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF PERIOD	$ 5,665	$ 5,107	$ 6,087
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash, Cash Equivalents and Restricted Cash:			
Cash and Cash Equivalents	$ 347	$ 2,857	$ 4,137
Cash Portion of Assets Limited as to Use	5,318	2,250	1,950
Total Cash, Cash Equivalents, and Restricted Cash	$ 5,665	$ 5,107	$ 6,087
Bonds Assumed related to Employee Retention Credit Received	$ 2,447	$ -	$ -
Cash Paid for Interest	$ 4,222	$ -	$ 4,436

See accompanying Notes to Financial Statements.

NOTE 1 ORGANIZATION AND OPERATIONS

Friendship Village of Mill Creek, NFP dba: Greenfields of Geneva (Greenfields) provides housing, health care, and other related services to residents through the operation of a retirement facility containing 139 independent living apartments, 49 assisted living apartments, 26 memory support units in an assisted living setting, and a 43-bed skilled health care facility in Geneva, Illinois.

Friendship Senior Options was Greenfields's sole member until February 1, 2023. On February 1, 2023 Friendship Senior Options and Lifespace Communities, Inc. (Lifespace) executed an affiliation agreement. The agreement provided for a member substitution of Lifespace as the owner and operator of Greenfields.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements present only the accounts of Greenfields.

The financial statements are presented for both the predecessor period (when Friendship Senior Options was the sole member) and the successor period (when Lifespace is the sole member), which relate to the accounting periods preceding and succeeding the affiliation on February 1, 2023.

The successor and predecessor periods have been separated by a vertical line on the face of the financial statements and in the notes to the financial statements, when applicable.

The assets and liabilities and net assets (deficit) of Greenfields are reported as follows:

Without Donor Restrictions – Those resources over which the board of directors has discretionary control. “Board Designated” amounts represent those resources which the board has set aside for a particular purpose.

With Donor Restrictions – Those resources subject to donor imposed restrictions which will be satisfied by actions of Greenfields or the passage of time. The donors of these resources permit Greenfields to use all or part of the income earned, including capital appreciation, on related investments for unrestricted purposes.

At March 31, 2024 and 2023, no net assets with donor restrictions were held by Greenfields.

Investments

Investments, including assets whose use is limited, are recorded at fair value. Fair values are determined based on readily determinable market values. Changes in unrealized gains and losses on investments are reported within the deficit of revenues over expenses. In addition, net cash flows from the purchases and sales of investments are reported as a component of operating activities in the accompanying statements of cash flows.

(IN THOUSANDS)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are reported net of an allowance for credit losses to represent Greenfields's estimate of expected losses at the balance sheet date. The adequacy of the allowance for credit losses is reviewed on an ongoing basis, using historical payment trends, write-off experience, analyses of receivable portfolios by payor source and aging of receivables, a review of specific accounts, as well as expected future economic conditions and market trends, and adjustments are made to the allowance as necessary.

Management believes the composition of receivables at year-end is consistent with historical conditions as credit terms, practices and the customer base has not changed significantly.

Changes in the allowance for credit losses and the balance for the year ended March 31, 2024, the period February 1, 2023 to March 31, 2023 (Successor) and the period April 1, 2022 to January 31, 2023 (Predecessor) were as follows:

	Successor		Predecessor
	March 31, 2024	March 31, 2023	January 31, 2023
Allowance for Credit Losses:			
Balance, Beginning of Year/Period	124	139	125
Provision for Losses	(5)	(5,274)	19
Amounts Written Off	(60)	5,259	(5)
Balance, End of Year/Period	59	124	139

Property and Equipment

Property and equipment are recorded at original cost-plus capitalized interest when applicable. Depreciation of property and equipment is provided on the straight-line method over the estimated useful lives of the assets, which range from 3 to 40 years.

Greenfields has construction in progress of $851 and $-0- at March 31, 2024 and 2023, respectively.

Leases

Greenfields determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right-of-use (ROU) assets –financing and lease liability – financing in the balance sheet.

(IN THOUSANDS)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

ROU assets represent the Greenfields's right to use an underlying asset for the lease term and lease liabilities represent Greenfields's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that Greenfields will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. Greenfields has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the balance sheet.

Credit Risk

Greenfields maintains its cash and cash equivalents in bank deposit accounts that may exceed federally insured limits. Most investments and assets limited as to use are held in a custodial arrangement and consist of investment grade interest bearing securities. Greenfields has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Greenfields grants credit without collateral to its residents, most of whom are local individuals and are covered under third-party payor agreements. The mix of receivables from residents and third-party payors was as follows at March 31:

	2024	2023
Medicare	59%	55%
Residents and Other Third-Party Payors	41%	45%
Total	100%	100%

Inventory

Inventory consists principally of food and supplies. Inventories are valued at cost determined by the first-in, first-out (FIFO) method.

Assets Limited as to Use

Assets limited as to use consist of assets held by trustees under bond indenture agreements. Assets limited as to use that are required for obligations classified as current liabilities are reported as current assets.

Goodwill

Goodwill represents the excess of the debt assumed over the fair value of assets acquired at the time of the Lifespace affiliation. Goodwill is amortized over seven years on a straight-line basis and is evaluated for potential impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. Goodwill acquired in the affiliation was approximately $15,512 and subsequently adjusted to $15,248 in 2024. Amortization expense of approximately $2,295 and $246 was recorded for the year ended March 31, 2024 and the period of February 1, 2023 through March 31, 2023, respectively, in amortization expense. Accumulated amortization at March 31, 2024 and 2023 was approximately $2,541 and $246, respectively.

(IN THOUSANDS)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Entrance Fees

Greenfields presently has two residency plans: a traditional plan and a return-of-capital plan. Under the traditional plan, the entrance fees received are nonrefundable and recorded as deferred revenue. This deferred revenue is recognized as revenue earned on a straight-line basis over the estimated remaining life, actuarially adjusted annually, of each resident beginning with the date of each resident's occupancy. Under certain circumstances, a portion of the entrance fee may be refunded to the resident upon termination of occupancy; such payments are charged against deferred entrance fees. Any unrecognized deferred entrance fee at the date of death or termination of occupancy of the respective resident is recorded as income in the period in which death or termination of occupancy occurs.

Under the return-of-capital residency plan, a portion of the entrance fees (70% or 80%) is nonrefundable and is recognized on the same basis as under the traditional plan. The remaining amount represents that portion of the entrance fee, less unreimbursed fees and expenses, which will be refunded to the resident. This refundable portion is recorded as a liability until the time of payment.

The following is a summary of deferred entrance fees:

	March 31,	
	2024	2023
Nonrefundable Entrance Fees	$ 14,209	$ 14,535
Refundable Entrance Fees	32,892	28,534
Total	$ 47,101	$ 43,069

Independent Living Fees and Skilled Nursing and Assisted Living Fees, Net (Resident Care Service Revenue)

Resident care service revenue is reported at the amount that reflects the consideration to which Greenfields expects to be entitled in exchange for providing resident care. These amounts are due from residents, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits and reviews. Greenfields bills all residents at the beginning of the month and third-party payors in the month following the services being performed. Revenue is recognized as performance obligations are satisfied.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Independent Living Fees and Skilled Nursing and Assisted Living Fees, Net (Resident Care Service Revenue) (Continued)

Performance obligations are determined based on the nature of the services provided by Greenfields. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. Greenfields believes that this method provides a reasonable 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 residents in our community living in an independent or assisted living apartment, or receiving skilled nursing services over a period of time. Greenfields measures the performance obligation from admission into the community to the point when it is no longer required to provide services to that resident, which is generally at the time the resident exits the community.

Residency plan contracts have no termination date and can be cancelled by residents at any time. Income under the residency plan contracts is not considered to provide a material right to future services. As result, fees under this contract are recognized monthly as services are performed.

Because all of Greenfields's remaining performance obligations relate to contracts with a duration of less than one year, Greenfields has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the residents are discharged, which generally occurs within days or weeks of the end of the reporting period.

Greenfields determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provide to third-party payors, or residents. Greenfields determines its estimates of contractual adjustments based on contractual agreements, its policies, and historical experience.

The services provided through third-party payors are primarily paid through the Medical Assistance and Medicare programs. The Medical Assistance programs are covered through the state departments of health and rates charged are in accordance with the rules established in those states. The Medicare program is administered by the United States Centers for Medicare and Medicaid Services (CMS). The Medicare program pays on a prospective payment system, a per diem price based system.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Independent Living Fees and Skilled Nursing and Assisted Living Fees, Net (Resident Care Service Revenue) (Continued)

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge Greenfields's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon Greenfields. In addition, the contracts Greenfields has with commercial payors also provide for retroactive audit and review of claims.

Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and Greenfields's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in an implicit price concession impacting transaction price were not significant in 2024 or 2023.

Generally, residents who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. Greenfields estimates the transaction price for residents with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the Resident's ability to pay are recorded as bad debt expense.

Greenfields has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors and service lines. Tables providing details of these factors are presented below.

(IN THOUSANDS)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Independent Living Fees and Skilled Nursing and Assisted Living Fees, Net (Resident Care Service Revenue) (Continued)

The composition of resident care service revenue by primary payor is as follows:

	Successor		Predecessor
	April 1, 2023 - March 31 2024	February 1, - March 31 2023	April 1, 2022 - January 31 2023
Residency Plan Agreements	$ 12,102	$ 372	$ 1,815
Private Pay	2,775	1,761	8,674
Medicare	3,741	585	2,691
HMO/Managed Care	497	18	137
Other	589	10	30
Total	$ 19,704	$ 2,746	$ 13,347

Revenue from resident's deductibles and coinsurance are included in the categories presented above based on the primary payor.

Greenfields has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from residents and third-party payors for the effects of a significant financing component due. Greenfields's expectation that the period between the time the service is provided to a resident and the time that the Resident or a third-party payor pays for that service will be one year or less. However, Greenfields does, in certain instances, enter into payment agreements with residents that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

The opening and closing balances were as followed:

	Accounts Receivable	Deferred Revenue
Balance as of April 1, 2022 - Predecessor	$ 727	$ 15,954
Balance as of March 31, 2023 - Successor	1,136	14,535
Balance as of March 31, 2024 - Successor	1,321	14,209

Deficit of Revenues Over Expenses

The statements of operations and changes in net assets without donor restrictions include a line entitled "Deficit of Revenues over Expenses" which is an important performance indicator for Greenfields. Changes in net assets without donor restrictions which are excluded from the performance indicator, consistent with industry practice, include assets released from restriction for capital purposes, contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets) and contributions to/from affiliates.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

Greenfields has been granted an exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been designated as a publicly supported organization (rather than a private foundation).

Greenfields evaluates tax positions taken or expected to be taken in the course of preparing its tax returns to determine whether it is “more likely than not” that each tax position would be sustained upon examination by a taxing authority based on the technical merits of the position. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. For the years ended March 31, 2024 and 2023, Greenfields has not recorded any such tax benefit or expense in the accompanying financial statements. No examinations are in progress or anticipated at this time. Greenfields’s federal income tax returns are open to examination for the years ended March 31, 2021 through March 31, 2023.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Future Service Obligations

Greenfields is obligated to provide future services to residents based upon the resident contracts in place. A liability recognizing an obligation to provide future services to residents is recorded if the present value of future cash outflows, adjusted for certain noncash items, exceeds the present value of future cash inflows, adjusted for unamortized deferred revenue. The comparison between the estimated future costs to serve residents and the revenues from those residents who were parties to a resident agreement results in no future service obligations at March 31, 2024and 2023.

Reclassifications

Certain fiscal year 2023 assets, revenues and expenses were reallocated and the balance sheet was classified to conform with the 2024 presentation. These reclassifications had no effect on the overall net assets of Greenfields.

New Accounting Standards

Greenfields has adopted ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. Greenfields adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the Corporation’s financial statements.

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS

Disclosures are required of fair value information about financial instruments, whether or not recognized in the balance sheets, for which it is practical to estimate that value. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates cannot be substantiated by comparisons to independent markets and, in many cases, could not be realized in immediate settlement of the instrument.

The following determinations were made by Greenfields in estimating its fair value for financial instruments:

Cash and Cash Equivalents – These assets are stated at fair value, which is based on quoted market prices, where available.

Investments – These assets are stated at fair value, which is based on quoted market prices, where available (see Note 4).

Fair value is defined as the price Greenfields would receive upon selling a security in a timely transaction to an independent buyer in the principal or most advantageous market of the security at the measurement date. A hierarchy has been established for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

Observable inputs are inputs that reflect the assumptions that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of Greenfields. Unobservable inputs are inputs that reflect Greenfields's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

Level 1 – Quoted prices available in active markets for identical securities as of the reporting date.

Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.). Investments that are generally included in this category are U.S. government obligations and corporate bonds.

Level 3 – Significant unobservable inputs (including Greenfields's assumptions in determining the fair value of investments).

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by Greenfields in determining fair value is greatest for instruments categorized in Level 3.

(IN THOUSANDS)

NOTE 3 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair values of equity securities are determined using public quotations. Fair values of debt securities have been determined through the use of third-party pricing services using market observable inputs. The following is a summary of the inputs used:

	March 31, 2024			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 5,318	$ -	$ -	$ 5,318
U.S. Government and Federal Agency Bonds	-	10,751	-	10,751
U.S. Treasury Securities	557	-	-	557
Mortgage and Asset-Back Securities	-	1	-	1
Total Assets Held at Fair Value	$ 5,875	$ 10,752	$ -	$ 16,627

	March 31, 2023			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 2,250	$ -	$ -	$ 2,250
U.S. Government and Federal Agency Bonds	-	10,533	-	10,533
Mortgage and Asset-Back Securities	-	7	-	7
Total Assets Held at Fair Value	$ 2,250	$ 10,540	$ -	$ 12,790

There were no investments measured at fair value using significant unobservable inputs (Level 3) during the years ended March 31, 2024 and 2023.

NOTE 4 INVESTMENTS AND ASSETS LIMITED AS TO USE

Greenfields reports investments in equity securities with readily determinable fair values and certain investments in debt securities at fair value.

A summary of the composition of Greenfields's investment portfolio is as follows at March 31:

	2024	2023
Cash and Cash Equivalents	$ 5,318	$ 2,250
U.S. Government and Federal Agency Bonds	10,751	10,533
U.S. Treasury Securities	557	-
Mortgage and Asset-backed Securities	1	7
Total	$ 16,627	$ 12,790

Investments are reported in the accompanying balance sheet at March 31 as follows:

	2024	2023
Assets Limited as to Use - Current Portion	$ 3,082	$ 2,540
Assets Limited as to Use - Long-Term Portion	13,545	10,250
Total	$ 16,627	$ 12,790

(IN THOUSANDS)

NOTE 4 INVESTMENTS AND ASSETS LIMITED AS TO USE (CONTINUED)

Investment Income comprised of the following:

	Successor		Predecessor
	April 1, 2023 - March 31 2024	February 1 - March 31 2023	April 1, 2022 - January 31 2023
Interest and Dividend Income	$ 522	$ 57	$ 179
Investment Fees	-	-	(9)
Net Realized Gain (Loss) on Sale of Investments	(10)	(28)	(104)
Change in Unrealized Appreciation (Depreciation) of Investments	159	70	14
Total	$ 671	$ 99	$ 80

NOTE 5 LIQUIDITY AND AVAILABILITY

Greenfields regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, Greenfields considers all expenditures related to its ongoing programmatic activities as well as the conduct of services undertaken to support those activities to be general expenditures.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	March 31, 2024	March 31, 2023
Cash and Cash Equivalents	$ 347	$ 2,857
Entrance Fee Receivable	9	9
Accounts Receivable	1,345	1,136
Total Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 1,701	$ 4,002

NOTE 6 ENTRANCE FEE DEPOSITS

When a residency agreement is signed, a deposit of 10%, as a portion of the entrance fee is collected. The balance of the fee is payable on or before the fifteenth day following the date that occupancy is offered to the resident. Generally, depositors may cancel their residency agreements at any point prior to admission and receive a refund of the entrance deposit.

At March 31, 2024 and 2023, deposits of $184 and $413, respectively, had been received from future residents who have signed residency agreements. Funds on deposit are held in cash and cash equivalents on the balance sheet.

(IN THOUSANDS)

NOTE 7 FINANCING ARRANGEMENTS

A summary of long-term debt is as follows at March 31:

	March 31,	
Description	2024	2023
Revenue Bonds, Series 2017, at fixed interest rates ranging from 6.75% to 7.10% based on date of maturity, maturing 2047 through 2052.	$ 61,565	$ 62,220
Revenue Bonds, Series 2017, at fixed interest 5.0% Rate, maturing 2028.	10,115	7,938
Less: Current Portion of Long-Term Debt	771	590
Long-Term Debt, Excluding Current Installments and Unamortized Bond Discount	$ 70,909	$ 69,568

Greenfields entered into a Master Trust Indenture dated as of November 17, 2017 as the sole Obligated Group member. The purpose of the Master Trust Indenture is to provide a mechanism for the issuance of promissory notes and the other evidences of indebtedness in order to secure the financing or refinancing of facilities and for other lawful proper corporate purposes. The Master Trust Indenture provides for other legal entities in the future to participate with Greenfields in the Obligated Group. The Master Trust Indenture requires individual members of the Obligated Group to make principal and interest payments on notes issued for their benefit and to pay such amounts as were otherwise necessary to enable the Obligated Group to satisfy other obligations issued under the Master Trust Indenture. Obligations issues under the Master Trust Indenture are secured by a mortgage and security agreement covering substantially all property and real estate owned by Greenfields.

On November 17, 2017, GreenFields of Geneva issued Illinois Finance Authority Revenue Bonds (GreenFields of Geneva Project), Series 2017 in the aggregate principal amount of $65,000 with last maturity on November 1, 2052 bearing interest at rates ranging from 6.75% to 7.10%. Annual principal sinking fund requirements began in November 1, 2018.

On February 1, 2023, GreenFields of Geneva as a part of the acquisition by Lifespace Communities, Inc. assumed the series 2017 taxable bonds that were issued by the previous sole member of Greenfields, Friendship Senior Options in November 2017. Lifespace Communities, Inc. assumed the full $10,115 of the taxable bonds and received escrows to pay down a portion of the bonds upon maturity. The escrows received include debt service fund, liquidity support accounts and funds received from the employee retention credit applied for by the predecessor. The bonds are interest only payments until maturity in 2028 and Lifespace Communities, Inc. is only obligated for up to $2,800 in the event the escrows received do not cover the full the amount of the bonds outstanding upon maturity.

(IN THOUSANDS)

NOTE 7 FINANCING ARRANGEMENTS (CONTINUED)

Scheduled annual principal repayments on long-term debt for the ensuing five years and thereafter per terms of the bond agreements are as follows:

Year Ending March 31,	Amount
2025	$ 771
2026	755
2027	805
2028	10,975
2029	920
Thereafter	57,454
Total	$ 71,680

Restrictive Covenants

The provisions of the debt agreements of the bonds as described above contain various restrictive covenants that limit the occurrence of additional debt and require certain measures of financial performance be satisfied as long as the bonds are outstanding. Failure to maintain compliance could result in acceleration of payment for debt outstanding under each respective Master Trust Indenture. As of March 31, 2024 and 2023, Greenfields has had the applicable covenants in effect waived. Greenfields currently has the covenants waived through February 2025.

Liquidity Support Agreement

In February 2023, as part of the affiliation, Lifespace provided Greenfields a $4,800 liquidity support agreement. No amounts have been drawn on this agreement as of March 31, 2024 and 2023.

Assets Whose Use is Limited

Under the terms of the Series 2017 bonds, the loan agreement, trust indenture, credit and reimbursement agreement, and residency agreement, the following funds are restricted and shown as assets whose use is limited:

	March 31, 2024	March 31, 2023
Debt Service Reserve Fund	$ 5,425	$ 5,036
Debt Service Fund	2,518	1,336
Project Funds	563	535
Operating Reserve Fund	520	502
Real Estate Tax Escrow	1	412
Renewal and Replacement Reserve Fund	108	103
Liquidity Support Fund	5,045	4,866
Bonds Trust Fund ERC	2,447	-
Subtotal	16,627	12,790
Less: Current Portion	3,082	2,540
Total	$ 13,545	$ 10,250

NOTE 7 FINANCING ARRANGEMENTS (CONTINUED)

Debt Service Reserve Funds

Under the terms of the financing agreement, a debt service reserve fund is maintained for the Series 2017 bonds. The required minimum balance of the debt service reserve fund at March 31, 2024 and 2023 is the maximum annual debt service of $4,715.

Debt Service Funds

Greenfields is required to make monthly deposits to the debt service fund in the amount sufficient to make periodic principal and interest payments on the respective underlying debt.

Project Funds

Revenue bond proceeds are segregated in a separate bank account. These funds are drawn on to meet the obligations of the construction projects as they are due.

Operating Reserve Funds

Revenue bond proceeds are segregated in a separate bank account. These funds are drawn on to support the routine expenditures specific to Greenfields.

Real Estate Tax Escrow Funds

Monthly deposits are made to escrow funds to pay real estate taxes on a semi-annual basis.

Renewal and Replacement Reserve Funds

Greenfields is required to make monthly deposits to its renewal and replacement reserve fund account in the event that is does not meet the annual capital expenditure limit of $400 until the balance in the account meets the yearly requirement.

Liquidity Support Fund

Revenue bond proceeds are segregated in a separate bank account. The funds are restricted for payment of the 2017 taxable bonds in November 2027.

Bonds Trust Fund ERC

Proceeds from the employee retention credit application filed by Friendship Senior Options. These funds are restricted for payment of the 2017 taxable bonds in November 2027.

(IN THOUSANDS)

NOTE 8 FUNCTIONAL EXPENSES

The costs for Greenfields to provide services to senior citizens within its geographic location have been summarized on a functional basis in the statement of functional expense. Expenses that can be identified with specific services are allocated directly according to the benefits provided. Certain other expense categories that are attributable to more than one health care service require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including depreciation, interest, and other occupancy costs, are allocated to a function based on a square-footage basis. Other expenses that are common to several functions are allocated by various statistical bases based on the best estimates of management.

	Successor					
	April 1, 2023 - March 31, 2024					
	Program Services				Supporting Services	
	Independent Living and Home Health	Assisted Living and Memory Support	Skilled Nursing and Health Care	Total Program Services	Management and General	Total
Salaries and Benefits	$ 3,260	$ 1,393	$ 2,705	$ 7,358	$ 814	$ 8,172
Marketing	-	-	-	-	644	644
Repairs and Maintenance	498	59	59	616	41	657
Occupancy	865	98	98	1,061	49	1,110
Interest	1,881	979	2,061	4,921	-	4,921
Depreciation and Amortization	5,519	736	736	6,991	368	7,359
Insurance	181	94	198	473	-	473
Dietary and Medical Supplies	277	103	485	865	-	865
Other	4,044	133	2,276	6,453	1,237	7,690
Total	$ 16,525	$ 3,595	$ 8,618	$ 28,738	$ 3,153	$ 31,891

	Successor					
	February 1, - March 31, 2023					
	Program Services				Supporting Services	
	Independent Living and Home Health	Assisted Living and Memory Support	Skilled Nursing and Health Care	Total Program Services	Management and General	Total
Salaries and Benefits	$ 264	$ 284	$ 542	$ 1,090	$ 118	$ 1,208
Marketing	-	-	-	-	190	190
Repairs and Maintenance	85	10	10	105	34	139
Occupancy	214	24	24	262	12	274
Interest	288	150	316	754	-	754
Depreciation and Amortization	670	89	89	848	45	893
Insurance	1	1	2	4	-	4
Dietary and Medical Supplies	58	21	102	181	-	181
Other	490	16	276	782	92	874
Total	$ 2,070	$ 595	$ 1,361	$ 4,026	$ 491	$ 4,517

(IN THOUSANDS)

NOTE 8 FUNCTIONAL EXPENSES (CONTINUED)

	Predecessor					
	April 1, 2022 - January 31, 2023					
	Program Services				Supporting Services	
	Independent Living and Home Health	Assisted Living and Memory Support	Skilled Nursing and Health Care	Total Program Services	Management and General	Total
Salaries and Benefits	$ 1,228	$ 1,570	$ 2,695	$ 5,493	$ 838	$ 6,331
Marketing	-	-	-	-	989	989
Repairs and Maintenance	506	64	65	635	26	661
Occupancy	791	84	84	959	42	1,001
Interest	1,442	750	1,580	3,772	-	3,772
Depreciation and Amortization	1,579	210	210	1,999	105	2,104
Insurance	244	127	267	638	-	638
Dietary and Medical Supplies	256	109	472	837	-	837
Other	2,351	27	820	3,198	1,206	4,404
Total	$ 8,397	$ 2,941	$ 6,193	$ 17,531	$ 3,206	$ 20,737

NOTE 9 COMMITMENTS AND CONTINGENCIES

Litigation

Greenfields is subject to asserted and unasserted claims encountered in the normal course of business. Greenfields's management and legal counsel assess such contingent liabilities and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against Greenfields or unasserted claims that may result in such proceedings, Greenfields's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein. In the opinion of management, disposition of these matters will not have a material effect on Greenfields's financial condition or results of operations.

Health Care

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, and government health care program participation requirements, reimbursement for resident services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

NOTE 10 BUSINESS COMBINATIONS

As stated under Note 1 Organization and Operations, on February 1, 2023, Lifespace became the sole member of Greenfields. A capital contribution from Lifespace of $3,000 was made as part of the acquisition.

(IN THOUSANDS)

NOTE 10 BUSINESS COMBINATIONS (CONTINUED)

Greenfields, subsequent to the change in sole member to Lifespace, is required to recognize and measure the identifiable assets acquired, and liabilities assumed at the affiliation date at fair values, which have been pushed down to the applicable legal entity. The following table summarizes the estimated fair values of the assets acquired and liabilities assumed for Greenfields as of the date of affiliation:

Financial Assets	$ 6,087
Financial Assets, Limited Use	11,004
Receivables	728
Inventory	23
Prepaid Expenses	203
Property and Equipment	93,058
Goodwill	15,248
Financial Liabilities	(3,232)
Refundable Entrance Fees	(13,878)
Nonrefundable Entrance Fees	(36,083)
Bonds Payable	(70,158)
Capital Contribution	(3,000)
Net Assets Acquired	$ -

The excess of debt assumed over the fair value of the net tangible and identifiable intangible assets acquired is recorded as goodwill. The primary factors for goodwill were resident contracts, assembled workforce, and synergies. The fair values assigned to tangible and identifiable intangible assets acquired and liabilities assumed are based on management's estimates and assumptions. The estimated fair value of certain intangible assets was calculated by an independent third-party valuation specialists.

Transaction-related costs of approximately $161 were recorded in professional fees expense. These costs consisted primarily of legal and professional fees related to due diligence. Related party payables of approximately $1,374 with FSO at the time of acquisition were forgiven in and recorded as a gain on settlement during the period ended January 31, 2023.

(IN THOUSANDS)

NOTE 11 RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS

As a part of the membership substitution described in Note 10, Greenfields assumed the 2017 taxable bonds from Friendship Senior Options (Note 7) and received a funded liquidity support escrow that was restricted to pay down the 2017 taxable bonds. At the time of the acquisition, the liability associated with the escrow received was not recorded in the opening balances. The balance sheet as of March 31, 2023 has been restated in regards to this, see table below for the restated balances:

	Audit March 31, 2023	Adjustment	Restated March 31, 2023
Assets:			
Goodwill, Net of Accumulated Amortization	$ 10,397	$ 4,869	$ 15,266
Liabilities:			
Accrued Interest	1,963	42	2,005
Long-Term Debt Due within One Year	64,740	4,828	69,568

NOTE 12 RELATED PARTY TRANSACTIONS

Services Agreement

Greenfields has an agreement with Friendship Senior Options (FSO) to oversee its general operations. FSO provides strategic direction and critical management services to Greenfields including; executive, administrative, financial, marketing, human resources, and investment advisory. The initial term of this agreement was for the period of one year. This agreement renews annually thereafter unless terminated in accordance with other terms and conditions contained therein. Beginning with the affiliation on February 1, 2023, the management services agreement was under the oversight of Lifespace through June 30, 2023 at which time Lifespace began providing the management services.

Under the terms of the agreement, Greenfields must compensate FSO for services rendered. The agreement also contains a provision to compensate FSO for supplemental services it may provide above and beyond those enumerated in the agreement.

Expenses incurred by Greenfields in 2024 and 2023 for services provided under this agreement and certain pass-through corporate costs were approximately $273 and $663, respectively. These costs were recorded in professional fees.

NOTE 12 RELATED PARTY TRANSACTIONS (CONTINUED)

Self-Funded Workers' Compensation

In conjunction with management agreement FSO, Greenfields participates in a self-funded workers' compensation plan effective October 1, 2013, whereby workers' compensation insurance is provided for eligible employees. The plan calls for the premiums to be paid into a benefit pool held and managed by a third-party administrator. Greenfields is responsible up to a maximum of $300 per occurrence, after which a stop loss policy covers costs in excess of the stated limits. There is an $825 aggregate stop loss which covers all of the plan participants. Total payments into the plan amounted to approximately $13, $14 and $151, respectively, for the periods April 1, 2023 to June 30, 2023, February 1, 2023 to March 31, 2023 (Successor) and April 1, 2022 to January 31, 2023 (Predecessor). As of March 31, 2023, Greenfields has not accrued any estimated liability related to open claims as management is not aware of any material open claims and past experience has not indicated a liability as being necessary. In connection with this plan, the third-party administrator has been provided with a letter of credit, by FSO, in the amount of $1,000. As of March 31, 2023, no amounts were drawn or outstanding on the letter of credit.

As of June 30, 2023 Greenfields began participating in Lifespace's employee benefit insurance plans.

Related Party Payables

Greenfields has amounts due to FSO at March 31, 2024 and 2023 totaling $62 and $28, respectively, representing operational advances. Greenfields has amounts due to Lifespace Communities, Inc at March 31, 2024 and 2023 of $726 and $162 representing accounts payable paid on their behalf.

NOTE 13 SUBSEQUENT EVENTS

Greenfields has evaluated events or transactions that may have occurred since March 31, 2024, that would merit recognition or disclosure in the financial statements. This evaluation was completed through September 30, 2024, the date the financial statements were available to be issued. No material recognized or nonrecognized subsequent events were identified for recognition or disclosure in the financial statements or the accompanying notes to the financial statements, except for those disclosed above.

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