

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re Amsterdam House Continuing Care Retirement Community, Inc.
Debtor

Case No. 14-73348

Reporting Period: 8/31/2014

Federal Tax I.D. # 11-3711764

CORPORATE MONTHLY OPERATING REPORT

File with the Court and submit a copy to the United States Trustee within 20 days after the end of the month and submit a copy of the report to any official committee appointed in the case.

(Reports for Rochester and Buffalo Divisions of Western District of New York are due 15 days after the end of the month, as are the reports for Southern District of New York.)

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes	No
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)	Yes	No
Copies of bank statements			A
Cash disbursements journals			
Statement of Operations	MOR-2	Yes	No
Balance Sheet	MOR-3	Yes	No
Status of Post-petition Taxes	MOR-4	Yes	No
Copies of IRS Form 6123 or payment receipt			
Copies of tax returns filed during reporting period			
Summary of Unpaid Post-petition Debts	MOR-4	Yes	No
Listing of Aged Accounts Payable			
Accounts Receivable Reconciliation and Aging	MOR-5	Yes	No
Taxes Reconciliation and Aging	MOR-5	Yes	No
Payments to Insiders and Professional	MOR-6	Yes	No
Post Petition Status of Secured Notes, Leases Payable	MOR-6	Yes	No
Debtor Questionnaire	MOR-7	Yes	No

A - Copies of bank statements will be provided to the U.S. Trustee separately, contemporaneously with filing the Monthly Operating Report.

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor _____

Signature of Authorized Individual /s/ James Davis

9/30/2014

Printed Name of Authorized Individual James Davis

9/30/2014

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.



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The Amsterdam at Harborside**Cash Collateral Budget**

As of September 30, 2014

	Actual W/E 8/9	Actual W/E 8/16	Actual W/E 8/23	Actual W/E 8/30	Total Aug 3 - Aug 30
Cash Receipts					
Medicare A	\$ 33,376	\$ 89,682	\$ 9,272	\$ 232,797	\$ 365,126
Private Pay	32,339	284,673	796,108	66,636	1,179,757
Medicaid	-	-	912	52,258	53,170
Hospice	-	-	163,115	-	163,115
Other	300	4,529	678	(951)	4,555
Total Cash Receipts	66,015	378,883	970,085	350,739	1,765,722
Cash Disbursements					
Agency & Staffing Fees	5,753	18,678	14,846	8,854	48,131
Capital Improvements	9,189	2,650	-	-	11,839
Debt Modification Fees	-	25,000	-	4,378	29,378
Employee Benefits	10,467	76,282	25,483	-	112,232
Entrance Fee Refunds	-	-	-	-	-
Equipment Leases	-	-	544	7,312	7,855
Food Services	14,899	11,673	14,092	36,163	76,827
Insurance	-	-	-	-	-
Marketing Costs	68	1,818	-	6,381	8,266
Medical Supplies & Services	1,141	639	8,104	1,263	11,147
Office Supplies	55	85	581	1,024	1,745
Operating Supplies	64	3,127	1,664	1,390	6,245
Other Expenses	6,342	11,855	8,198	1,489	27,885
Payroll	101,625	173,279	79,425	175,613	529,942
Pharmacy	145	1,949	6,891	-	8,985
Phone/Internet/Cable	5,820	-	781	814	7,415
Professional Fees (Ordinary Course)	365	-	98,036	-	98,400
Refunds & Security Deposits	-	-	-	500	500
Repairs & Maintenance	3,014	7,217	8,420	4,749	23,401
Resident Events & Entertainment	516	4,197	1,554	1,005	7,272
Software/IT Services	-	2,340	1,149	585	4,074
Taxes	-	4,286	-	15,674	19,960
Therapy Fees	-	-	19,860	-	19,860
Transportation & Security	1,995	1,599	-	3,129	6,723
Utilities	-	37,405	4,950	70,693	113,048
Total Cash Disbursements	161,457	384,079	294,580	341,015	1,181,131
Net Cash Flow from Operations	(95,442)	(5,196)	675,505	9,724	(100,638)
Cash Rollforward					
Beginning Cash	5,731,571	5,674,323	5,720,728	6,315,764	5,731,571
Cash Increase (Decrease)	(95,442)	(5,196)	675,505	9,724	584,591
Adjustment to Actual	38,194	51,602	(80,469)	187,897	197,224
Ending Cash Balance	\$ 5,674,323	\$ 5,720,728	\$ 6,315,764	\$ 6,513,386	\$ 6,513,386

The Amsterdam at Harborside
Actual vs. Budget Consolidated Summary Income Statement
For the Two Months Ending August 31, 2014
UNAUDITED

	Current Period			July-To-Date		
	Restructuring			Restructuring		
	Actual	Projections	Variance	Actual	Projections	Variance
Operating Revenue						
IL Monthly Service Fees	795,473	829,115	(33,642)	1,601,317	1,658,229	(56,913)
EH Monthly Service Fees	362,680	368,535	(5,854)	702,806	737,069	(34,263)
Second Person Fees	65,388	71,147	(5,759)	132,423	142,294	(9,871)
SN Room & Board Per Diems	763,543	754,222	9,321	1,495,732	1,508,443	(12,711)
Contractual Adjustments	(128,232)	(120,233)	(7,999)	(259,035)	(244,450)	(14,585)
SN Ancillary & Therapy Revenue	199,142	183,721	15,421	370,597	367,464	3,132
Life Care Credits	(179,066)	(223,210)	44,144	(356,629)	(446,421)	89,791
Monthly Service Fee Credits	(160,475)	(131,480)	(28,994)	(322,958)	(262,961)	(59,997)
Other Revenue	9,217	4,546	4,671	19,540	9,091	10,449
Total Operating Revenue	1,727,670	1,736,361	(8,691)	3,383,792	3,468,760	(84,968)
Departmental Expenses						
Administrative Services	78,682	122,597	43,915	162,261	247,274	85,013
Employee Benefits	110,842	113,438	2,595	231,696	227,740	(3,956)
Human Resources	83,531	90,048	6,517	167,022	178,566	11,544
Resident Services	45,575	35,116	(10,459)	79,440	69,635	(9,804)
Resident Services - Skilled Nursing	1,893	1,538	(355)	3,506	3,076	(430)
Enriched Housing	86,348	74,170	(12,178)	169,587	149,500	(20,087)
Building Maintenance Services	46,373	45,313	(1,060)	89,053	90,497	1,444
Dining Services	257,083	218,525	(38,559)	497,769	441,788	(55,981)
Emergency System Services	12,130	10,007	(2,123)	21,336	21,860	524
Grounds Maintenance Services	5,610	5,800	190	11,895	11,600	(295)
Housekeeping Services	61,720	59,841	(1,879)	130,436	128,634	(1,802)
Marketing Services	119,876	135,958	16,082	184,762	271,917	87,155
Skilled Nursing	431,154	312,816	(118,338)	840,628	628,819	(211,809)
Ancillary and Therapy	120,767	144,821	24,055	226,968	289,616	62,649
Transportation Services	14,861	16,006	1,145	30,988	33,694	2,706
Total Departmental Expenses	1,476,445	1,385,992	(90,453)	2,847,346	2,794,215	(53,131)
Other Operating Expenses						
Utilities	133,361	161,861	28,500	231,050	334,904	103,855
Insurance	17,207	17,207	(0)	34,414	34,414	(0)
Taxes & HOA Fees	48,401	47,493	(908)	96,354	94,986	(1,369)
Management Fees	61,382	61,361	(21)	122,763	122,722	(42)
Covenant Reports	-	-	-	-	-	-
Total Other Operating Expenses	260,350	287,921	27,571	484,581	587,026	102,445
Total Operating Expenses	1,736,796	1,673,914	(62,882)	3,331,928	3,381,241	49,314
Net Operating Income (Loss)	(9,125)	62,447	(71,572)	51,865	87,519	(35,654)
Investment Income	28,929	30,172	1,242	56,866	64,679	7,813
NI (Loss) Before LT Debt & Noncash Items	19,804	92,618	(72,814)	108,730	152,198	(43,467)
Long Term Debt Expenses	(1,242,239)	(1,191,046)	(51,193)	(2,583,002)	(2,382,093)	(200,909)
Amendment/Debt Modification Costs	(436,314)	(1,000,000)	563,686	(1,019,234)	(2,000,000)	980,766
Gain/Loss on Disposal of Fixed Assets	-	-	-	-	-	-
NI (Loss) Before Noncash Items	(1,658,750)	(2,098,428)	439,678	(3,493,506)	(4,229,895)	736,389
Noncash Items						
Subordinated Loan Deferred Interest Expense	-	-	-	-	-	-
Future Services Obligation	-	-	-	-	-	-
Unrealized Gain/(loss) on Investments	-	-	-	-	-	-
Unrealized Gain/(loss) on Swap	-	-	-	-	-	-
Earned Non-refundable Entrance Fees	245,382	221,265	24,399	490,764	442,248	48,516
Earned Refundable Fees	-	-	-	-	-	-
Depreciation/Amortization	(722,594)	(741,085)	18,348	(1,445,330)	(1,482,169)	36,839
Total Noncash Items	(477,212)	(519,819)	42,747	(954,566)	(1,039,921)	85,355
Net Income (Loss)	(2,135,961)	(2,618,247)	482,425	(4,448,072)	(5,269,816)	821,744

The Amsterdam at Harborside
Statement of Financial Position
For the Eight Months Ending August 31, 2014
UNAUDITED

	<u>Current Month</u>	<u>Prior Month</u>	<u>Variance</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	1,443,039	1,072,294	370,745
Conversion Deposits	3,820,109	2,347,105	1,473,004
Net A/R Residents	1,067,589	1,114,023	(46,434)
Other Receivables	10,143,070	7,284,202	2,858,868
Inventory	32,757	18,976	13,781
Deposits	38,680	37,405	1,275
Prepaid Expenses	239,924	295,178	(55,254)
Total Current Assets	16,785,167	12,169,185	4,615,983
CIP	164,389	158,004	6,386
Fixed Assets	255,519,241	255,506,866	12,375
Accumulated Depreciation	(25,584,135)	(25,036,611)	(547,525)
Intangible Assets	27,306,663	27,306,663	-
Accumulated Amortization	(8,287,284)	(8,113,906)	(173,378)
Restricted Assets	17,579,691	17,579,607	84
TOTAL ASSETS	283,483,732	279,569,807	3,913,925
<u>LIABILITIES</u>			
Accounts Payable	354,504	219,618	134,886
Resident Current Liabilities	1,861,596	-	1,861,596
Payroll Related Current Liabilities	276,627	175,254	101,374
Accrued Operating Expenses	810,804	82,977	727,827
Accrued Bond Interest Expense	1,623,438	395,960	1,227,477
Total Current Liabilities	4,926,969	873,808	4,053,161
Entrance Fee Liability	2,195,957	-	2,195,957
Future Services Obligation Liability	-	-	-
Subordinated Loan	-	-	-
Accrued Interest on Subordinated Loan	-	-	-
Long Term Debt	-	-	-
Liabilities Subject to Compromise**	434,509,007	434,681,095	(172,088)
TOTAL LIABILITIES	441,631,933	435,554,903	6,077,030
<u>EQUITY</u>			
Fund Balance (Deficit)	(141,067,696)	(141,067,696)	-
Net Income (Loss)	(17,080,506)	(14,944,545)	(2,135,961)
TOTAL EQUITY	(158,148,202)	(156,012,240)	(2,135,961)
TOTAL LIABILITIES & EQUITY	283,483,732	279,542,663	3,941,069

** Liabilities Subject to Compromise include all pre-petition liabilities incurred on or before the petition date of July 22, 2014, including resident liabilities. These amounts will be addressed in a manner consistent with the Amended Plan of Reorganization and Disclosure Statement filed with the Bankruptcy Court on September 2, 2014 (see Sections 3 and Section 5.1 of the Amended Plan of Reorganization and Section IV (C) and (F-1) of the Disclosure Statement).

In re Amsterdam House Continuing Care Retirement Community, Inc.Case No. 14-73348

Debtor

Reporting Period: 8/31/2014**STATUS OF POST-PETITION TAXES**

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.

Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.

Attach photocopies of any tax returns filed during the reporting period.

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Date Paid	Check # or EFT	Ending Tax
Withholding	7,124.02	51,374.86	32,760.14	8/6/14, 8/8/14, 8/13/14, 8/20/14, 8/27/14	ACH Debit	25,738.74
FICA-Employee	4,970.02	29,563.63	23,035.16	8/6/14, 8/8/14, 8/13/14, 8/20/14, 8/22/14, 8/27/14	ACH Debit	11,498.49
FICA-Employer	4,970.02	41,087.64	23,035.16	8/6/14, 8/8/14, 8/13/14, 8/20/14, 8/22/14, 8/27/14	ACH Debit	23,022.50
Unemployment	-	-	-	-	-	-
Income	-	-	-	-	-	-
Other:	-	-	-	-	-	-
Total Federal Taxes	17,064.06	122,026.13	78,830.46	-	-	60,259.73
State and Local						
Withholding	2,693.31	20,620.37	16,156.59	8/6/14, 8/8/14, 8/13/14, 8/20/14, 8/22/14, 8/27/14	ACH Debit	7,157.09
Sales	-	-	-	-	-	-
Excise	-	-	-	-	-	-
Unemployment	1,836.07	6,324.25	-	-	-	8,160.32
Real Property	-	-	-	-	-	-
Personal Property	-	-	-	-	-	-
Other: PILOT, Provider Tax	9,837.04	32,635.15	4,286.00	-	-	38,186.19
Total State and Local	14,366.42	59,579.77	20,442.59	-	-	53,503.60
Total Taxes	31,430.48	181,605.90	99,273.05	-	-	113,763.33

SUMMARY OF UNPAID POST-PETITION DEBTS**

Attach aged listing of accounts payable.

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 91	
Accounts Payable	341,633.91	354,503.77	-	-	-	696,137.68
Wages Payable	192,440.00	-	-	-	-	192,440.00
Taxes Payable	113,763.33	-	-	-	-	113,763.33
Rent/Leases-Building	-	-	-	-	-	-
Rent/Leases-Equipment	-	-	-	-	-	-
Secured Debt [^]	1,623,437.71	-	-	-	-	1,623,437.71
Professional Fees (Ordinary Course)	60,486.34	-	-	-	-	60,486.34
Amounts Due to Insiders	-	-	-	-	-	-
Entrance Fees from Move-ins	1,030,856.00	-	-	-	-	1,030,856.00
Other: 10% Deposit Liability	179,511.00	-	-	-	-	179,511.00
Other: Entrance Fee Refunds Pending	1,682,085.00	-	-	-	-	1,682,085.00
Other: Debt Modification (includes Restructuring Professional Fees)	408,683.79	-	-	-	-	408,683.79
Other: Pension and PTO	16,770.62	-	-	-	-	16,770.62
Total Post-petition Debts	5,649,667.70	354,503.77	-	-	-	6,004,171.47

**The above amounts include accruals and payables outstanding. The accruals are included in the Current column.

[^]The amounts listed here represent accrued interest on the Series 2007 Bonds.

Explain how and when the Debtor intends to pay any past due post-petition debts.

N/A

In re Amsterdam House Continuing Care Retirement Community, Inc.
Debtor

Case No. 14-73348
Reporting Period: 8/31/2014

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	1,350,387.89
Plus: Amounts billed during the period	1,739,065.49
Less: Amounts collected during the period	(1,774,666.93)
Total Accounts Receivable at the end of the reporting period	1,314,786.45

*Total Accounts Receivable Before Allowance for Bad Debt

Accounts Receivable Aging	0-30 Days	31-60 Days	61-90 Days	91+ Days [^]	Total
0 - 30 days old	740,675.54				740,675.54
31 - 60 days old		172,389.25			172,389.25
61 - 90 days old			61,193.11		61,193.11
91+ days old				340,528.55	340,528.55
Total Accounts Receivable	740,675.54	172,389.25	61,193.11	340,528.55	1,314,786.45
Less: Allowance for Bad Debts				(247,198.00)	(247,198.00)
Net Accounts Receivable	740,675.54	172,389.25	61,193.11	93,330.55	1,067,588.45

[^]The Debtor is working diligently with an outside collection agency to resolve the outstanding amounts greater than 91 days.

TAXES RECONCILIATION AND AGING

Taxes Payable	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old	19,960.00				19,960.00
31 - 60 days old					-
61 - 90 days old					-
91+ days old					-
Total Taxes Payable	19,960.00	-	-	-	19,960.00

In re Amsterdam House Continuing Care Retirement Community, |
Debtor

Case No. 14-73348

Reporting Period: 8/31/2014

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown on the Cash Receipts and Disbursements Report (MOR-1) list the amount paid to insiders (as defined in Section 101(31) (A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
Amsterdam Consulting, LLC	Consulting Services	8,810.57	8,810.57
TOTAL PAYMENTS TO INSIDERS			

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
H.J. Sims	Pending	-	-	-	7,258.06
Cadwalader, Wickersham & Taft LLP	Pending	-	-	-	251,660.17
Grant Thornton LLP	Pending	-	-	-	106,221.79
Kurtzman Carson Consultants, LLC	Pending	-	-	-	28,432.48
TOTAL PAYMENTS TO PROFESSIONALS		-	-	-	393,572.50

*These amounts are incurred and unpaid and will only be paid pursuant to, and consistent with, the Bankruptcy Court's orders governing compensation of professionals.

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
TOTAL PAYMENTS			

Note - Please note, the Debtor is accruing all applicable interest payments in accordance with the Restructuring Term Sheet.

In re Amsterdam House Continuing Care Retirement Community, Inc.
Debtor**Case No.** 14-73348
Reporting Period: 8/31/2014**DEBTOR QUESTIONNAIRE**

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.		Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3	Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5	Is the Debtor delinquent in paying any insurance premium payment?		X
6	Have any payments been made on pre-petition liabilities this reporting period?	X	
7	Are any post petition receivables (accounts, notes or loans) due from related parties?		X
8	Are any post petition payroll taxes past due?		X
9	Are any post petition State or Federal income taxes past due?		X
10	Are any post petition real estate taxes past due?		X
11	Are any other post petition taxes past due?		X
12	Have any pre-petition taxes been paid during this reporting period?	X	
13	Are any amounts owed to post petition creditors delinquent?		X
14	Are any wage payments past due?		X
15	Have any post petition loans been received by the Debtor from any party?		X
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18	Have the owners or shareholders received any compensation outside of the normal course of business?		X