

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

April 30, 2019 and December 31, 2018

Assets	April 30, 2019	December 31, 2018
Cash and cash equivalents	\$ 44,337	46,992
Investments	9,196,188	7,701,512
Statutory liquid reserves	802,618	2,021,016
Accounts receivable, net	4,087,078	4,142,573
Prepaid expenses	285,724	167,171
Assets whose use is limited	2,191,546	2,191,546
Promises to give, net	6,757	6,100
Property and equipment (net of accumulated depreciation of \$40,046,887 and \$39,213,459, respectively)	42,906,107	43,396,843
Financing leases (net of accumulated depreciation of \$398,935 and \$368,821, respectively)	180,240	172,509
Due from affiliated entites	21,813,718	21,563,614
Assets held in trust by others	<u>742,039</u>	<u>675,979</u>
Total assets	<u>\$ 82,256,351</u>	<u>82,085,855</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

April 30, 2019 and December 31, 2018

Liabilities and Net Assets	April 30, 2019	December 31, 2018
Accounts payable	\$ 1,065,854	1,274,983
Accrued expenses	2,896,993	3,147,583
Accrued interest	9,624	7,620
Resident deposits	105,250	155,050
Entrance fee payable	661,584	664,199
Deferred revenue – entrance fees	10,958,643	10,742,801
Annuities payable	13,063	14,138
Obligations under financing leases	185,476	177,654
Long-term debt	18,730,674	19,115,354
Total liabilities	<u>34,627,160</u>	<u>35,299,382</u>
Net assets:		
Without donor restrictions	44,601,775	43,830,803
With donor restrictions	3,027,416	2,955,670
Total net assets	<u>47,629,191</u>	<u>46,786,473</u>
Total liabilities and net assets	<u>\$ 82,256,351</u>	<u>82,085,855</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Months ended April 30, 2019 and year ended December 31, 2018

	<u>April 30,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
Revenues and other support:		
Resident services		
Resident services	\$ 11,660,398	34,461,983
Amortization of entrance fees	468,526	1,645,030
Implicit price concession	<u>(123,013)</u>	<u>(385,962)</u>
Total resident services	12,005,911	35,721,051
Contributions, gifts and bequests	93,437	67,696
Net assets released from restrictions	<u>1,453</u>	<u>71,581</u>
Total revenues and other support	12,100,801	35,860,328
Cost of services provided		
Nursing services	3,511,825	10,387,161
Rehabilitation	1,336,435	3,637,368
Recreation and special services	279,467	801,569
Pharmacy	237,175	769,134
Social services	64,499	185,108
Physician services	48,202	148,352
Food services	1,264,141	3,850,098
Building operations and maintenance	1,052,390	2,937,767
Housekeeping	180,043	580,621
Laundry and linen	79,232	236,252
General and administrative	1,778,438	5,634,197
Employee benefits	726,453	1,778,267
Interest	215,289	524,279
Depreciation	863,541	2,434,160
Fundraising	<u>35,150</u>	<u>126,195</u>
Total cost of services provided	<u>11,672,278</u>	<u>34,030,528</u>
Excess of revenues and other support over expenses	428,522	1,829,800
Other income (expense)		
Investment income, net of investment expense	64,749	330,425
Realized loss on investments	(8,534)	(880,869)
Unrealized gain on investments	<u>286,236</u>	<u>13,340</u>
Total other income (expense)	<u>342,450</u>	<u>(537,104)</u>
Excess of revenue, gains and other support over expenses and losses	770,972	1,292,696

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Months ended April 30, 2019 and year ended December 31, 2018

	April 30, 2019	December 31, 2018
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	770,972	1,292,696
Change in net assets without donor restrictions	770,972	1,292,696
Net assets with donor restrictions		
Contributions, gifts and bequests	11,328	80,548
Investment income	91	90
Unrealized gain (loss) on investments	61,780	(48,505)
Net assets released from restrictions	(1,453)	(71,581)
Change in net assets with donor restrictions	71,746	(39,448)
Change in net assets	842,718	1,253,248
Net assets, beginning of year	46,786,473	45,533,225
Net assets, end of year	\$ 47,629,191	46,786,473

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Months ended April 30, 2019 and year ended December 31, 2018

	<u>April 30,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ 842,718	1,253,248
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	863,541	2,434,160
Provision for bad debt	205,227	588,157
Proceeds from refundable entrance fees and deposits	907,701	3,087,184
Amortization of entrance fees	(468,526)	(1,645,030)
Unrealized (gain) loss on investments	(348,016)	35,165
Realized loss on investments	8,534	880,869
Amortization	686	3,198
Change in assets and liabilities:		
Accounts receivable	(41,731)	(459,167)
Entrance fee payable	(108,000)	321,750
Promises to give	(657)	(6,100)
Other assets	(118,464)	18,204
Other receivables	—	—
Accounts payable	(209,129)	231,443
Accrued expenses and deferred revenue other	(248,587)	(167,115)
Net cash provided by operating activities	<u>1,285,299</u>	<u>6,575,965</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(380,537)	(1,567,779)
Net (purchase of) proceeds from the sale of investments	<u>(2,857)</u>	<u>592,910</u>
Net cash used in investing activities	<u>(383,393)</u>	<u>(974,870)</u>
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(273,133)	(443,718)
Change in entrance fee payable	(2,615)	(119,397)
Principal payments on long-term debt	(385,455)	(974,619)
Decrease in annuities payable	(1,075)	(1,564)
Borrowings under finance leases	37,846	160,529
Repayments on finance lease obligations	(30,024)	(70,898)
Due from affiliated entity	<u>(250,104)</u>	<u>(4,141,249)</u>
Net cash used in financing activities	<u>(904,560)</u>	<u>(5,590,915)</u>
Net (decrease) increase in cash and cash equivalents	<u>(2,655)</u>	<u>10,180</u>
Cash and cash equivalents, beginning of year	<u>46,992</u>	<u>36,811</u>
Cash and cash equivalents, end of year	\$ <u><u>44,337</u></u>	<u><u>46,992</u></u>