

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Statements of Financial Position

August 31, 2020 and December 31, 2019

<b>Assets</b>	<b>August 31, 2020</b>	<b>December 31, 2019</b>
Cash and cash equivalents	\$ 46,447	45,243
Investments	10,432,897	9,876,685
Statutory liquid reserves	1,313,212	1,258,405
Accounts receivable, net	2,239,707	3,509,358
Prepaid expenses	389,449	259,402
Assets whose use is limited	2,239,416	2,239,416
Promises to give, net	4,493	1,027
Assets held for sale	2,350,618	2,350,230
Property and equipment (net of accumulated depreciation of \$43,326,156 and \$41,700,269, respectively)	38,441,687	39,808,637
Financing leases (net of accumulated depreciation of \$284,877 and \$189,911, respectively)	427,328	373,616
Assets under operating leases	8,534	11,143
Due from affiliated entites	30,420,496	24,408,920
Assets held in trust by others	802,442	775,594
Other assets	15,321	—
Total assets	\$ <u>89,132,046</u>	<u>84,917,676</u>

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Statements of Financial Position

August 31, 2020 and December 31, 2019

<b>Liabilities and Net Assets</b>	<b>August 31, 2020</b>	<b>December 31, 2019</b>
Accounts payable	\$ 1,800,089	968,324
Accrued expenses	3,560,982	3,555,937
Accrued interest	6,094	6,594
Resident deposits	95,888	137,500
Entrance fee payable	524,960	569,680
Deferred revenue – other	744,265	—
Deferred revenue – entrance fees	11,467,685	11,975,234
Annuities payable	1,878	13,995
Obligations under financing leases	440,514	381,081
Obligations under operating leases	8,534	11,143
Long-term debt	<u>17,386,163</u>	<u>18,074,104</u>
Total liabilities	<u>36,037,050</u>	<u>35,693,592</u>
Net assets:		
Without donor restrictions	49,934,265	46,117,490
With donor restrictions	<u>3,160,731</u>	<u>3,106,594</u>
Total net assets	<u>53,094,996</u>	<u>49,224,084</u>
Total liabilities and net assets	<u>\$ 89,132,046</u>	<u>84,917,676</u>

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Consolidated Statements of Operations and Changes in Net Assets

Periods ended August 31, 2020 and year ended December 31, 2019

	<b>August 31, 2020</b>	<b>December 31, 2019</b>
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Revenues and other support:		
Resident services		
Resident services	\$ 21,845,071	35,415,542
Amortization of entrance fees	1,121,412	1,798,614
Implicit price concession	(394,019)	(566,667)
Total resident services	<hr/> 22,572,464	<hr/> 36,647,489
Contributions, gifts and bequests	51,523	87,053
Government stimulus	1,827,461	-
Net assets released from restrictions	15,265	50,249
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Total revenues and other support	24,466,713	36,784,791
Cost of services provided		
Nursing services	7,133,805	10,795,369
Rehabilitation	2,558,041	4,040,532
Recreation and special services	402,626	858,316
Pharmacy	403,370	678,827
Social services	127,447	197,455
Physician services	98,850	143,930
Food services	2,649,266	3,912,490
Building operations and maintenance	2,179,394	3,163,313
Housekeeping	386,357	567,053
Laundry and linen	155,460	241,869
General and administrative	3,577,558	5,392,058
COVID-19 related	1,153,233	-
Employee benefits	1,454,599	2,248,188
Interest	381,136	633,166
Depreciation	1,720,853	2,576,822
Fundraising	68,544	131,016
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Total cost of services provided	24,450,537	35,580,404
(Deficit) excess of revenues and other support over expenses	16,176	1,204,387
Other income:		
Investment income, net of investment expense	116,201	290,771
Realized gain on investments	40,081	141,130
Unrealized gain on investments	484,017	650,400
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Total other income	640,299	1,082,301
Excess of revenue, gains and other support over expenses and losses	656,475	2,286,688

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Consolidated Statements of Operations and Changes in Net Assets

Periods ended August 31, 2020 and year ended December 31, 2019

	<b>August 31, 2020</b>	<b>December 31, 2019</b>
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	656,475	2,286,688
Loan forgiveness	3,160,300	-
Change in net assets without donor restrictions	3,816,775	2,286,688
Net assets with donor restrictions		
Contributions, gifts and bequests	43,559	109,752
Investment income, net of investment expense	373	362
Unrealized gain on investments	25,471	91,058
Net assets released from restrictions	(15,265)	(50,249)
Change in net assets with donor restrictions	54,137	150,923
Change in net assets	3,870,912	2,437,611
Net assets, beginning of year	49,224,084	46,786,473
Net assets, end of year	\$ 53,094,996	49,224,084

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Statements of Cash Flows

Periods ended August 31, 2020 and year ended December 31, 2019

	<u>August 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ 3,870,912	2,437,611
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,720,853	2,576,822
Provision for implicit price concession and bad debt	705,677	626,795
Proceeds from refundable entrance fees and deposits	823,827	3,871,231
Amortization of entrance fees	(1,121,412)	(1,798,614)
Loan forgiveness	(3,160,300)	—
Unrealized gain on investments	(509,488)	(741,459)
Realized gain on investments	(40,081)	(141,130)
Amortization	1,372	2,058
Change in assets and liabilities:		
Accounts receivable	563,974	(108,330)
Entrance fee payable	—	114,750
Promises to give	(3,466)	5,073
Other assets	(129,870)	(91,964)
Accounts payable	831,765	(306,659)
Accrued expenses and deferred revenue other	748,809	407,328
Net cash provided by operating activities	<u>4,287,251</u>	<u>6,853,513</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(408,002)	(1,539,953)
Net purchase of investments	<u>(88,297)</u>	<u>(677,457)</u>
Net cash used in investing activities	(496,299)	(2,217,411)
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(251,577)	(857,734)
Change in entrance fee payable	(44,720)	(94,519)
Principal payments on long-term debt	(689,491)	(1,043,575)
Proceeds on the issuance of unsecured debt	3,160,300	—
Decrease in annuities payable	(12,117)	(143)
Borrowings under finance leases	148,678	291,119
Repayments on finance lease obligations	(89,245)	(87,693)
Due from affiliated entity	<u>(6,011,576)</u>	<u>(2,845,306)</u>
Net cash used in financing activities	<u>(3,789,748)</u>	<u>(4,637,850)</u>
Net increase (decrease) in cash and cash equivalents	1,204	(1,748)
Cash and cash equivalents, beginning of year	<u>45,243</u>	<u>46,992</u>
Cash and cash equivalents, end of year	\$ <u><u>46,447</u></u>	<u><u>45,243</u></u>