

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

December 31, 2019 and 2018

Assets	2019	2018
	2019	2018
Cash and cash equivalents	\$ 45,243	46,992
Investments	9,876,685	7,701,512
Statutory liquid reserves	1,258,405	2,021,016
Accounts receivable, net	3,509,359	4,142,573
Prepaid expenses	259,402	167,171
Assets whose use is limited	2,239,416	2,191,546
Promises to give, net	1,027	6,100
Assets held for sale	2,350,230	—
Property and equipment (net of accumulated depreciation of \$41,700,269 and \$39,213,459, respectively)	39,808,637	43,396,843
Financing leases (net of accumulated depreciation of \$189,911 and \$368,821, respectively)	373,616	172,509
Assets under operating leases	11,143	14,917
Due from affiliated entities	24,408,920	21,563,614
Assets held in trust by others	775,594	675,979
Total assets	\$ 84,917,675	82,100,772

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

December 31, 2019 and 2018

Liabilities and Net Assets	2019	2018
Accounts payable	\$ 968,324	1,274,983
Accrued expenses	3,555,936	3,147,583
Accrued interest	6,594	7,620
Resident deposits	137,500	155,050
Entrance fee payable	569,680	664,199
Deferred revenue – entrance fees	11,975,234	10,742,801
Annuities payable	13,995	14,138
Obligations under financing leases	381,081	177,654
Obligations under operating leases	11,143	14,917
Long-term debt	18,074,103	19,115,354
Total liabilities	<u>35,693,591</u>	<u>35,314,299</u>
Net assets:		
Without donor restrictions	46,116,222	43,830,803
With donor restrictions	3,107,862	2,955,670
Total net assets	<u>49,224,084</u>	<u>46,786,473</u>
Total liabilities and net assets	<u>\$ 84,917,675</u>	<u>82,100,772</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues and other support:		
Resident services		
Resident services	\$ 35,415,542	34,461,983
Amortization of entrance fees	1,798,614	1,645,030
Implicit price concession	<u>(566,667)</u>	<u>(610,962)</u>
Total resident services	36,647,489	35,496,051
Contributions, gifts and bequests	85,784	67,696
Net assets released from restrictions	<u>50,249</u>	<u>71,581</u>
Total revenues and other support	<u>36,783,522</u>	<u>35,635,328</u>
Cost of services provided		
Nursing services	10,795,369	10,387,161
Rehabilitation	4,040,532	3,637,368
Recreation and special services	858,316	801,569
Pharmacy	678,827	769,134
Social services	197,455	185,108
Physician services	143,930	148,352
Food services	3,912,490	3,850,098
Building operations and maintenance	3,163,313	2,937,767
Housekeeping	567,053	580,621
Laundry and linen	241,869	236,252
General and administrative	5,392,057	5,409,197
Employee benefits	2,248,188	1,778,267
Interest	633,166	524,279
Depreciation	2,576,822	2,434,160
Fundraising	<u>131,016</u>	<u>126,195</u>
Total cost of services provided	<u>35,580,404</u>	<u>33,805,528</u>
Excess of revenues and other support over expenses	1,203,118	1,829,800
Other income (expense)		
Investment income, net of investment expense	290,771	330,425
Realized gain (loss) on investments	141,130	(880,869)
Unrealized gain on investments	<u>650,401</u>	<u>13,340</u>
Total other income (expense)	<u>1,082,302</u>	<u>(537,104)</u>
Excess of revenue, gains and other support over expenses and losses	2,285,419	1,292,696

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	2,285,419	1,292,696
Change in net assets without donor restrictions	2,285,419	1,292,696
Net assets with donor restrictions		
Contributions, gifts and bequests	111,020	80,548
Investment income	362	90
Unrealized gain (loss) on investments	91,058	(48,505)
Net assets released from restrictions	<u>(50,249)</u>	<u>(71,581)</u>
Change in net assets with donor restrictions	152,191	(39,448)
Change in net assets	2,437,611	1,253,248
Net assets, beginning of year	46,786,473	45,533,225
Net assets, end of year	<u>\$ 49,224,084</u>	<u>46,786,473</u>

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PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ 2,437,611	1,253,248
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,576,822	2,434,160
Provision for implicit price concession	626,795	588,157
Proceeds from refundable entrance fees and deposits	3,871,231	3,087,184
Amortization of entrance fees	(1,798,614)	(1,645,030)
Unrealized (gain) loss on investments	(741,459)	35,165
Realized (gain) loss on investments	(141,130)	880,869
Amortization	2,058	3,198
Change in assets and liabilities:		
Accounts receivable	(108,330)	(459,167)
Entrance fee payable	114,750	321,750
Promises to give	5,073	(6,100)
Other assets	(91,964)	18,204
Accounts payable	(306,659)	231,443
Accrued expenses and deferred revenue other	407,328	(167,115)
Net cash provided by operating activities	<u>6,853,512</u>	<u>6,575,965</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(1,539,953)	(1,567,779)
Net (purchase of) proceeds from the sale of investments	<u>(677,457)</u>	<u>592,910</u>
Net cash used in investing activities	<u>(2,217,411)</u>	<u>(974,870)</u>
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(857,734)	(443,718)
Change in entrance fee payable	(94,519)	(119,397)
Principal payments on long-term debt	(1,043,575)	(974,619)
Decrease in annuities payable	(143)	(1,564)
Borrowings under finance leases	291,119	160,529
Repayments on finance lease obligations	(87,693)	(70,898)
Due from affiliated entity	<u>(2,845,306)</u>	<u>(4,141,249)</u>
Net cash used in financing activities	<u>(4,637,850)</u>	<u>(5,590,915)</u>
Net (decrease) increase in cash and cash equivalents	(1,749)	10,180
Cash and cash equivalents, beginning of year	<u>46,992</u>	<u>36,811</u>
Cash and cash equivalents, end of year	\$ <u><u>45,243</u></u>	\$ <u><u>46,992</u></u>