

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

February 29, 2020 and December 31, 2019

Assets	February 29, 2020	December 31, 2019
Cash and cash equivalents	\$ 46,332	45,243
Investments	9,361,112	9,876,685
Statutory liquid reserves	1,283,122	1,258,405
Accounts receivable, net	3,264,308	3,509,358
Prepaid expenses	382,404	259,402
Assets whose use is limited	2,239,416	2,239,416
Promises to give, net	493	1,027
Assets held for sale	2,350,230	2,350,230
Property and equipment (net of accumulated depreciation of \$42,106,654 and \$41,700,269, respectively)	39,490,174	39,808,637
Financing leases (net of accumulated depreciation of \$212,573 and \$189,911, respectively)	456,450	373,616
Assets under operating leases	10,498	11,143
Due from affiliated entites	24,718,118	24,408,920
Assets held in trust by others	751,809	775,594
Total assets	<u>\$ 84,354,465</u>	<u>84,917,676</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

February 29, 2020 and December 31, 2019

Liabilities and Net Assets	February 29, 2020	December 31, 2019
Accounts payable	\$ 590,219	968,324
Accrued expenses	3,862,315	3,555,937
Accrued interest	5,968	6,594
Resident deposits	138,500	137,500
Entrance fee payable	568,300	569,680
Deferred revenue – entrance fees	11,844,815	11,975,234
Annuities payable	13,512	13,995
Obligations under financing leases	508,362	381,081
Obligations under operating leases	10,498	11,143
Long-term debt	<u>17,908,951</u>	<u>18,074,104</u>
Total liabilities	<u>35,451,440</u>	<u>35,693,592</u>
Net assets:		
Without donor restrictions	45,825,538	46,117,490
With donor restrictions	<u>3,077,487</u>	<u>3,106,594</u>
Total net assets	<u>48,903,025</u>	<u>49,224,084</u>
Total liabilities and net assets	<u>\$ 84,354,465</u>	<u>84,917,676</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Months ended February 29, 2020 and year ended December 31, 2019

	February 29, 2020	December 31, 2019
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Revenues and other support:		
Resident services		
Resident services	\$ 5,810,452	35,415,542
Amortization of entrance fees	290,358	1,798,614
Implicit price concession	(75,607)	(566,667)
Total resident services	<hr/> 6,025,203	<hr/> 36,647,489
Contributions, gifts and bequests	24,537	87,053
Net assets released from restrictions	—	50,249
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Total revenues and other support	6,049,740	36,784,791
Cost of services provided		
Nursing services	1,786,070	10,795,369
Rehabilitation	628,291	4,040,532
Recreation and special services	145,828	858,316
Pharmacy	130,864	678,827
Social services	30,917	197,455
Physician services	24,501	143,930
Food services	636,919	3,912,490
Building operations and maintenance	520,164	3,163,313
Housekeeping	94,658	567,053
Laundry and linen	40,454	241,869
General and administrative	905,478	5,392,058
Employee benefits	368,882	2,248,188
Interest	99,714	633,166
Depreciation	429,047	2,576,822
Fundraising	21,536	131,016
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Total cost of services provided	5,863,323	35,580,404
Excess of revenues and other support over expenses	186,418	1,204,387
Other (expense) income:		
Investment income, net of investment expense	20,961	290,771
Realized gain on investments	30	141,130
Unrealized (loss) gain on investments	(499,361)	650,400
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Total other (expense) income	(478,370)	1,082,301
(Deficit) excess of revenue, gains and other support over expenses and losses	<hr/> (291,953)	<hr/> 2,286,688

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Months ended February 29, 2020 and year ended December 31, 2019

	February 29, 2020	December 31, 2019
Net assets without donor restrictions:		
(Deficit) excess of revenue, gains and other support over expenses and losses	(291,953)	2,286,688
Change in net assets without donor restrictions	(291,953)	2,286,688
Net assets with donor restrictions		
Contributions, gifts and bequests	-	109,752
Investment income, net of investment expense	-	362
Unrealized (loss) gain on investments	(29,106)	91,058
Net assets released from restrictions	-	(50,249)
Change in net assets with donor restrictions	(29,106)	150,923
Change in net assets	(321,059)	2,437,611
Net assets, beginning of year	49,224,084	46,786,473
Net assets, end of year	\$ 48,903,025	49,224,084

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Months ended February 29, 2020 and year ended December 31, 2019

	February 29, 2020	December 31, 2019
Cash flows from operating activities:		
Change in net assets	\$ (321,059)	2,437,611
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	429,047	2,576,822
Provision for implicit price concession	75,607	626,795
Proceeds from refundable entrance fees and deposits	293,381	3,871,231
Amortization of entrance fees	(290,358)	(1,798,614)
Unrealized loss (gain) on investments	528,468	(741,459)
Realized gain on investments	(30)	(141,130)
Amortization	343	2,058
Change in assets and liabilities:		
Accounts receivable	169,443	(108,330)
Entrance fee payable	—	114,750
Promises to give	534	5,073
Other assets	(122,957)	(91,964)
Accounts payable	(378,105)	(306,659)
Accrued expenses and deferred revenue other	305,753	407,328
Net cash provided by operating activities	<u>690,065</u>	<u>6,853,513</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(193,418)	(1,539,953)
Net purchase of investments	<u>(13,795)</u>	<u>(677,457)</u>
Net cash used in investing activities	(207,213)	(2,217,411)
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(132,441)	(857,734)
Change in entrance fee payable	(1,380)	(94,519)
Principal payments on long-term debt	(165,541)	(1,043,575)
Decrease in annuities payable	(483)	(143)
Borrowings under finance leases	148,678	291,119
Repayments on finance lease obligations	(21,397)	(87,693)
Due from affiliated entity	<u>(309,198)</u>	<u>(2,845,306)</u>
Net cash used in financing activities	<u>(481,762)</u>	<u>(4,637,850)</u>
Net increase (decrease) in cash and cash equivalents	1,089	(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>46,332</u></u>	\$ <u><u>45,243</u></u>