PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

July 31, 2018 and December 31, 2017

Assets		July 31, 2018	December 31, 2017
Cash and cash equivalents	$	43,289	36,811
Investments		9,683,265	10,404,340
Statutory liquid reserves		800,964	800,439
Accounts receivable, net		4,412,757	4,593,314
Prepaid expenses		164,209	185,108
Assets whose use is limited		2,163,976	2,163,976
Property and equipment (net of accumulated depreciation of $38,168,703 and $36,852,312 respectively)		43,970,881	44,350,740
Assets under capital lease (net of accumulated depreciation of $328,139 and $295,809)		101,328	84,992
Due from affiliated entites		16,541,852	14,081,592
Assets held in trust by others		734,868	730,242
Total assets	$	78,617,388	77,431,554

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

July 31, 2018 and December 31, 2017

Liabilities and Net Assets		July 31, 2018	December 31, 2017
Accounts payable	$	708,015	1,043,540
Accrued expenses		3,279,760	3,312,798
Accrued interest		8,464	9,520
Resident deposits		123,250	101,500
Entrance fee payable		716,028	783,596
Deferred revenue – entrance fees		10,432,130	9,797,914
Annuities payable		14,621	15,702
Obligations under capital lease		155,170	88,022
Long-term debt		16,060,233	16,745,736
Total liabilities		31,497,670	31,898,328
Net assets:			
Without donor restrictions		44,151,381	42,572,039
With donor restrictions		2,968,338	2,961,187
Total net assets		47,119,718	45,533,226
Total liabilities and net assets	$	78,617,388	77,431,554

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Periods ended July 31, 2018 and year ended December 31, 2017

	July 31, 2018	December 31, 2017
Operating revenues, gains, and other support:		
Resident services, including amortization of entrance fees of $993,655 and $1,104,534	$ 21,055,719	34,386,883
Interest and dividend income	92,304	348,598
Realized (loss) gain on investments	(80,704)	746,485
Gain on sale of property and equipment	–	19,930
Contributions, gifts and bequests	68,445	292,545
Net assets released from restrictions	17,169	46,642
Total operating revenues, gains, and other support	21,152,934	35,841,083
Expenses:		
Nursing services	5,980,528	10,004,827
Rehabilitation	2,017,637	2,794,806
Recreation and special services	463,166	844,290
Pharmacy	437,690	833,906
Social services	107,332	180,693
Physician services	86,368	147,556
Food services	2,236,247	3,848,745
Building operations and maintenance	1,675,710	2,857,247
Housekeeping	333,317	649,388
Laundry and linen	144,034	299,307
General and administrative	3,462,964	5,761,386
Employee benefits	1,191,923	2,653,000
Interest	249,349	339,375
Depreciation	1,348,721	2,205,864
Fundraising and investment fee	64,427	140,393
Total expenses	19,799,413	33,560,783
Operating income	1,353,521	2,280,300
Other changes:		
Unrealized gain on investments	225,821	322,505
Total other changes	225,821	322,505
Increase in net assets without donor restrictions	1,579,342	2,602,805

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Periods ended July 31, 2018 and year ended December 31, 2017

	July 31, 2018	December 31, 2017
Net assets with donor restrictions		
Contributions, gifts and bequests	29,322	79,977
Interest and dividend income	90	349
Unrealized (loss) gain on investments	(5,092)	5,403
Net assets released from restrictions	(17,169)	(46,642)
Change in net assets with donor restrictions	7,151	96,474
Change in net assets	1,586,492	2,699,279
Net assets, beginning of year	45,533,226	42,833,947
Net assets, end of year	$ 47,119,718	45,533,226

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Periods ended July 31, 2018 and year ended December 31, 2017

		July 31, 2018	December 31, 2017
Cash flows from operating activities:			
Change in net assets	$	1,586,492	2,699,279
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation		1,348,721	2,205,864
Provision for bad debt		324,269	581,688
Proceeds from refundable entrance fees and deposits		1,862,964	4,158,246
Amortization of entrance fees		(993,655)	(1,104,534)
Unrealized gain on investments		(220,729)	(385,296)
Realized loss (gain) on investments		80,704	(746,485)
Realized gain on sale of assets		—	(19,930)
Contributions restricted for long-term purposes			(27,627)
Amortization		2,039	3,762
Change in assets and liabilities:			
Accounts receivable		(162,612)	(722,432)
Entrance fee payable		18,900	(29,400)
Pledges receivable		0	200
Other assets		21,054	(47,861)
Accounts payable		(335,525)	(2,346,786)
Accrued expenses and deferred revenue other		(34,095)	(357,602)
Net cash provided by operating activities		3,498,527	3,861,087
Cash flows from investing activities:			
Acquisition of property and equipment		(985,197)	(5,803,693)
Net purchases of investments		855,950	5,001,014
Net cash used in investing activities		(129,247)	(802,679)
Cash flows for financing activities:			
Refunds of entrance fees and deposits		(213,343)	(305,598)
Change in entrance fee payable		(67,568)	(206,745)
Principal payments on long-term debt		(687,698)	(554,274)
Contributions restricted for long-term purposes		—	27,627
Decrease in annuities payable		(1,081)	(748)
Borrowings through capital lease obligations		100,952	33,601
Repayments on capital lease obligations		(33,805)	(67,450)
Due from affiliated entity		(2,460,260)	(2,004,392)
Net cash used in financing activities		(3,362,802)	(3,077,979)
Net increase (decrease) in cash and cash equivalents		6,478	(19,571)
Cash and cash equivalents, beginning of year		36,811	56,382
Cash and cash equivalents, end of year	$	43,289	36,811