

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

July 31, 2019 and December 31, 2018

Assets	July 31, 2019	December 31, 2018
Cash and cash equivalents	\$ 41,439	46,992
Investments	9,313,094	7,701,512
Statutory liquid reserves	953,331	2,021,016
Accounts receivable, net	3,500,623	4,142,573
Prepaid expenses	375,225	167,171
Assets whose use is limited	2,191,546	2,191,546
Promises to give, net	920	6,100
Property and equipment (net of accumulated depreciation of \$40,658,779 and \$39,213,459, respectively)	42,515,995	43,396,843
Financing leases (net of accumulated depreciation of \$418,171 and \$368,821, respectively)	205,556	172,509
Due from affiliated entites	23,845,358	21,563,614
Assets held in trust by others	744,961	675,979
Total assets	<u>\$ 83,688,048</u>	<u>82,085,855</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

July 31, 2019 and December 31, 2018

Liabilities and Net Assets	July 31, 2019	December 31, 2018
Accounts payable	\$ 1,043,465	1,274,983
Accrued expenses	3,462,922	3,147,583
Accrued interest	7,027	7,620
Resident deposits	155,250	155,050
Entrance fee payable	659,719	664,199
Deferred revenue – entrance fees	11,550,235	10,742,801
Annuities payable	13,600	14,138
Obligations under financing leases	211,410	177,654
Long-term debt	18,463,750	19,115,354
Total liabilities	<u>35,567,379</u>	<u>35,299,382</u>
Net assets:		
Without donor restrictions	45,086,510	43,830,803
With donor restrictions	3,034,160	2,955,670
Total net assets	<u>48,120,670</u>	<u>46,786,473</u>
Total liabilities and net assets	<u>\$ 83,688,048</u>	<u>82,085,855</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Months ended July 31, 2019 and year ended December 31, 2018

	July 31, 2019	December 31, 2018
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Revenues and other support:		
Resident services		
Resident services	\$ 20,564,766	34,461,983
Amortization of entrance fees	954,434	1,645,030
Implicit price concession	(350,154)	(610,962)
Total resident services	<hr/> 21,169,046	<hr/> 35,496,051
Contributions, gifts and bequests	109,425	67,696
Net assets released from restrictions	6,271	71,581
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Total revenues and other support	21,284,742	35,635,328
Cost of services provided		
Nursing services	6,228,868	10,387,161
Rehabilitation	2,376,110	3,637,368
Recreation and special services	496,395	801,569
Pharmacy	397,833	769,134
Social services	115,159	185,108
Physician services	83,978	148,352
Food services	2,254,798	3,850,098
Building operations and maintenance	1,816,569	2,937,767
Housekeeping	323,857	580,621
Laundry and linen	140,045	236,252
General and administrative	3,056,451	5,409,197
Employee benefits	1,286,380	1,778,267
Interest	372,175	524,279
Depreciation	1,494,669	2,434,160
Fundraising	56,542	126,195
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Total cost of services provided	20,499,829	33,805,528
Excess of revenues and other support over expenses	784,913	1,829,800
Other income (expense)		
Investment income, net of investment expense	123,359	330,425
Realized gain (loss) on investments	34,984	(880,869)
Unrealized gain on investments	312,451	13,340
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Total other income (expense)	470,794	(537,104)
Excess of revenue, gains and other support over expenses and losses	<hr/> 1,255,707	<hr/> 1,292,696

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Months ended July 31, 2019 and year ended December 31, 2018

	July 31, 2019	December 31, 2018
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	1,255,707	1,292,696
Change in net assets without donor restrictions	1,255,707	1,292,696
Net assets with donor restrictions		
Contributions, gifts and bequests	23,832	80,548
Investment income	91	90
Unrealized gain (loss) on investments	60,838	(48,505)
Net assets released from restrictions	(6,271)	(71,581)
Change in net assets with donor restrictions	78,489	(39,448)
Change in net assets	1,334,197	1,253,248
Net assets, beginning of year	46,786,473	45,533,225
Net assets, end of year	\$ 48,120,670	46,786,473

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Months ended July 31, 2019 and year ended December 31, 2018

	<u>July 31,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ 1,334,197	1,253,248
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,494,669	2,434,160
Provision for bad debt	350,615	588,157
Proceeds from refundable entrance fees and deposits	2,145,342	3,087,184
Amortization of entrance fees	(954,434)	(1,645,030)
Unrealized (gain) loss on investments	(373,289)	35,165
Realized (gain) loss on investments	(34,984)	880,869
Amortization	1,201	3,198
Change in assets and liabilities:		
Accounts receivable	432,085	(459,167)
Entrance fee payable	(140,750)	321,750
Promises to give	5,180	(6,100)
Other assets	(207,898)	18,204
Accounts payable	(231,518)	231,443
Accrued expenses and deferred revenue other	314,746	(167,115)
Net cash provided by operating activities	<u>4,135,161</u>	<u>6,575,965</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(646,868)	(1,567,779)
Net (purchase of) proceeds from the sale of investments	<u>(204,605)</u>	<u>592,910</u>
Net cash used in investing activities	(851,473)	(974,870)
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(383,274)	(443,718)
Change in entrance fee payable	(4,480)	(119,397)
Principal payments on long-term debt	(652,960)	(974,619)
Decrease in annuities payable	(538)	(1,564)
Borrowings under finance leases	82,397	160,529
Repayments on finance lease obligations	(48,641)	(70,898)
Due from affiliated entity	<u>(2,281,744)</u>	<u>(4,141,249)</u>
Net cash used in financing activities	<u>(3,289,240)</u>	<u>(5,590,915)</u>
Net (decrease) increase in cash and cash equivalents	(5,552)	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>41,439</u></u>	<u><u>46,992</u></u>