

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Statements of Financial Position

July 31, 2020 and December 31, 2019

<b>Assets</b>	<b>July 31, 2020</b>	<b>December 31, 2019</b>
Cash and cash equivalents	\$ 47,857	45,243
Investments	10,022,216	9,876,685
Statutory liquid reserves	1,313,768	1,258,405
Accounts receivable, net	2,709,127	3,509,358
Prepaid expenses	410,120	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 \$43,125,011 and \$41,700,269, respectively)	38,617,439	39,808,637
Financing leases (net of accumulated depreciation of \$272,826 and \$189,911, respectively)	439,379	373,616
Assets under operating leases	9,194	11,143
Due from affiliated entities	29,924,464	24,408,920
Assets held in trust by others	781,041	775,594
Other assets	53,457	—
Total assets	\$ <u>88,922,588</u>	<u>84,917,676</u>

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Statements of Financial Position

July 31, 2020 and December 31, 2019

<b>Liabilities and Net Assets</b>	<b>July 31, 2020</b>	<b>December 31, 2019</b>
Accounts payable	\$ 1,981,291	968,324
Accrued expenses	3,427,296	3,555,937
Accrued interest	6,630	6,594
Resident deposits	108,763	137,500
Entrance fee payable	529,041	569,680
Deferred revenue – other	830,240	—
Deferred revenue – entrance fees	11,524,580	11,975,234
Annuities payable	1,965	13,995
Obligations under financing leases	450,936	381,081
Obligations under operating leases	9,194	11,143
Long-term debt	<u>17,471,324</u>	<u>18,074,104</u>
Total liabilities	<u>36,341,258</u>	<u>35,693,592</u>
Net assets:		
Without donor restrictions	49,441,999	46,117,490
With donor restrictions	<u>3,139,331</u>	<u>3,106,594</u>
Total net assets	<u>52,581,330</u>	<u>49,224,084</u>
Total liabilities and net assets	<u>\$ 88,922,588</u>	<u>84,917,676</u>

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Consolidated Statements of Operations and Changes in Net Assets

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

	<b>July 31, 2020</b>	<b>December 31, 2019</b>
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Revenues and other support:		
Resident services		
Resident services	\$ 19,298,526	35,415,542
Amortization of entrance fees	937,017	1,798,614
Implicit price concession	(341,542)	(566,667)
Total resident services	<hr/> 19,894,001	<hr/> 36,647,489
Contributions, gifts and bequests	36,488	87,053
Government stimulus	1,335,321	-
Net assets released from restrictions	15,265	50,249
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Total revenues and other support	21,281,076	36,784,791
Cost of services provided		
Nursing services	6,276,548	10,795,369
Rehabilitation	2,259,412	4,040,532
Recreation and special services	354,516	858,316
Pharmacy	372,641	678,827
Social services	111,309	197,455
Physician services	86,505	143,930
Food services	2,329,912	3,912,490
Building operations and maintenance	1,912,076	3,163,313
Housekeeping	341,120	567,053
Laundry and linen	137,335	241,869
General and administrative	4,038,273	5,392,058
Employee benefits	1,224,080	2,248,188
Interest	336,847	633,166
Depreciation	1,507,656	2,576,822
Fundraising	58,812	131,016
	<hr/>	<hr/>
Total cost of services provided	21,347,041	35,580,404
(Deficit) excess of revenues and other support over expenses	(65,965)	1,204,387
Other income:		
Investment income, net of investment expense	112,795	290,771
Realized (loss) gain on investments	(9,573)	141,130
Unrealized gain on investments	126,953	650,400
	<hr/>	<hr/>
Total other income	230,174	1,082,301
Excess of revenue, gains and other support over expenses and losses	164,209	2,286,688

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Consolidated Statements of Operations and Changes in Net Assets

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

	<b>July 31, 2020</b>	<b>December 31, 2019</b>
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	164,209	2,286,688
Loan forgiveness	3,160,300	-
Change in net assets without donor restrictions	3,324,509	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	4,071	91,058
Net assets released from restrictions	(15,265)	(50,249)
Change in net assets with donor restrictions	32,737	150,923
Change in net assets	3,357,246	2,437,611
Net assets, beginning of year	49,224,084	46,786,473
Net assets, end of year	\$ 52,581,330	49,224,084

**PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON**

Statements of Cash Flows

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

	<b>July 31, 2020</b>	<b>December 31, 2019</b>
	<hr/>	<hr/>
Cash flows from operating activities:		
Change in net assets	\$ 3,357,246	2,437,611
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,507,656	2,576,822
Provision for implicit price concession and bad debt	609,945	626,795
Proceeds from refundable entrance fees and deposits	709,202	3,871,231
Amortization of entrance fees	(937,017)	(1,798,614)
Loan forgiveness	(3,160,300)	—
Unrealized gain on investments	(131,023)	(741,459)
Realized loss (gain) on investments	9,573	(141,130)
Amortization	1,201	2,058
Change in assets and liabilities:		
Accounts receivable	302,286	(108,330)
Entrance fee payable	(112,000)	114,750
Promises to give	(3,466)	5,073
Other assets	(150,562)	(91,964)
Accounts payable	1,012,967	(306,659)
Accrued expenses and deferred revenue other	701,634	407,328
Net cash provided by operating activities	<hr/> 3,663,885	<hr/> 6,853,513
Cash flows from investing activities:		
Acquisition of property and equipment	(382,609)	(1,539,953)
Net purchase of investments	<hr/> (84,891)	<hr/> (677,457)
Net cash used in investing activities	(467,500)	(2,217,411)
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(251,577)	(857,734)
Change in entrance fee payable	(40,639)	(94,519)
Principal payments on long-term debt	(604,137)	(1,043,575)
Proceeds on the issuance of unsecured debt	3,160,300	—
Decrease in annuities payable	(12,030)	(143)
Borrowings under finance leases	148,678	291,119
Repayments on finance lease obligations	(78,823)	(87,693)
Due from affiliated entity	<hr/> (5,515,544)	<hr/> (2,845,306)
Net cash used in financing activities	<hr/> (3,193,772)	<hr/> (4,637,850)
Net increase (decrease) in cash and cash equivalents	2,613	(1,748)
Cash and cash equivalents, beginning of year	<hr/> 45,243	<hr/> 46,992
Cash and cash equivalents, end of year	<hr/> <hr/> \$ 47,857	<hr/> <hr/> 45,243