

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

March 31, 2018 and December 31, 2017

Assets	March 31, 2018	December 31, 2017
Cash and cash equivalents	\$ 41,995	36,811
Investments	9,451,792	10,404,340
Statutory liquid reserves	800,669	800,439
Accounts receivable, net	4,343,548	4,593,314
Prepaid expenses	266,347	185,108
Assets whose use is limited	2,163,976	2,163,976
Property and equipment (net of accumulated depreciation of \$37,391,312 and \$36,852,312 respectively)	44,035,506	44,350,740
Assets under capital lease (net of accumulated depreciation of \$310,828 and \$295,809)	69,973	84,992
Due from affiliated entites	15,878,580	14,081,592
Assets held in trust by others	723,987	730,242
Total assets	<u>\$ 77,776,372</u>	<u>77,431,554</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

March 31, 2018 and December 31, 2017

Liabilities and Net Assets	March 31, 2018	December 31, 2017
Accounts payable	\$ 1,324,859	1,043,540
Accrued expenses	3,081,906	3,312,798
Accrued interest	9,033	9,520
Resident deposits	158,857	101,500
Entrance fee payable	718,106	783,596
Deferred revenue – entrance fees	9,905,669	9,797,914
Annuities payable	15,022	15,702
Obligations under capital lease	72,091	88,022
Long-term debt	16,560,418	16,745,736
Total liabilities	<u>31,845,960</u>	<u>31,898,328</u>
Net assets:		
Without donor restrictions	42,941,547	42,538,107
With donor restrictions	2,988,865	2,995,119
Total net assets	<u>45,930,412</u>	<u>45,533,226</u>
Total liabilities and net assets	<u>\$ 77,776,372</u>	<u>77,431,554</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Quarter ended March 31, 2018 and year ended December 31, 2017

	March 31, 2018	December 31, 2017
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Operating revenues, gains, and other support:		
Resident services, including amortization of entrance fees of \$473,910 and \$1,104,534	\$ 8,869,815	34,386,883
Interest and dividend income	34,730	348,598
Realized gain on investments	11,054	746,485
Gain on sale of property and equipment	-	19,930
Contributions, gifts and bequests	19,231	292,545
Net assets released from restrictions	14,364	46,642
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Total operating revenues, gains, and other support	8,949,194	35,841,083
Expenses:		
Nursing services	2,521,302	10,004,827
Rehabilitation	823,269	2,794,806
Recreation and special services	195,575	844,290
Pharmacy	200,678	833,906
Social services	45,481	180,693
Physician services	37,138	147,556
Food services	986,901	3,848,745
Building operations and maintenance	692,906	2,857,247
Housekeeping	147,508	649,388
Laundry and linen	60,522	299,307
General and administrative	1,535,450	5,761,386
Employee benefits	513,333	2,653,000
Interest	83,099	339,375
Depreciation	554,019	2,205,864
Fundraising and investment fee	21,549	140,393
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Total expenses	8,418,730	33,560,783
Operating income	530,464	2,280,300
Other changes:		
Unrealized (loss) gain on investments	(127,024)	322,505
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Total other changes	(127,024)	322,505
Increase in net assets without donor restrictions	403,440	2,602,805

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Quarter ended March 31, 2018 and year ended December 31, 2017

	March 31, 2018	December 31, 2017
Net assets with donor restrictions		
Contributions, gifts and bequests	16,708	79,977
Interest and dividend income	90	349
Unrealized (loss) gain on investments	(8,688)	5,403
Net assets released from restrictions	(14,364)	(46,642)
Change in net assets with donor restrictions	(6,254)	96,474
Change in net assets	397,186	2,699,279
Net assets, beginning of year	45,533,226	42,833,947
Net assets, end of year	\$ 45,930,412	45,533,226

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Quarter ended March 31, 2018 and year ended December 31, 2017

	<u>March 31,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>
Cash flows from operating activities:		
Change in net assets	\$ 397,186	2,699,279
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	554,019	2,205,864
Provision for bad debt	125,024	581,688
Proceeds from refundable entrance fees and deposits	731,725	4,158,246
Amortization of entrance fees	(473,910)	(1,104,534)
Unrealized loss (gain) on investments	135,713	(385,296)
Realized gain on investments	(11,054)	(746,485)
Realized gain on sale of assets	—	(19,930)
Contributions restricted for long-term purposes		(27,627)
Amortization	874	3,762
Change in assets and liabilities:		
Accounts receivable	117,877	(722,432)
Entrance fee payable	6,865	(29,400)
Pledges receivable	0	200
Other assets	(81,172)	(47,861)
Accounts payable	281,319	(2,346,786)
Accrued expenses and deferred revenue other	(231,381)	(357,602)
Net cash provided by operating activities	<u>1,553,085</u>	<u>3,861,087</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(223,766)	(5,803,693)
Net purchases of investments	833,915	5,001,014
Net cash provided by (used in) investing activities	<u>610,149</u>	<u>(802,679)</u>
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(92,703)	(305,598)
Change in entrance fee payable	(65,490)	(206,745)
Principal payments on long-term debt	(186,258)	(554,274)
Contributions restricted for long-term purposes	—	27,627
Decrease in annuities payable	(680)	(748)
Borrowings through capital lease obligations	—	33,601
Repayments on capital lease obligations	(15,931)	(67,450)
Due from affiliated entity	(1,796,988)	(2,004,392)
Net cash used in financing activities	<u>(2,158,050)</u>	<u>(3,077,979)</u>
Net increase (decrease) in cash and cash equivalents	5,183	(19,571)
Cash and cash equivalents, beginning of year	<u>36,811</u>	<u>56,382</u>
Cash and cash equivalents, end of year	\$ <u>41,995</u>	<u>36,811</u>