

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

March 31, 2019 and December 31, 2018

Assets	March 31, 2019	December 31, 2018
Cash and cash equivalents	\$ 44,978	46,992
Investments	9,186,079	7,701,512
Statutory liquid reserves	802,618	2,021,016
Accounts receivable, net	4,203,045	4,142,573
Prepaid expenses	305,624	167,171
Assets whose use is limited	2,191,546	2,191,546
Promises to give, net	6,100	6,100
Property and equipment (net of accumulated depreciation of \$39,837,666 and \$39,213,459, respectively)	42,957,373	43,396,843
Financing leases (net of accumulated depreciation of \$391,294 and \$368,821, respectively)	187,882	172,509
Due from affiliated entites	21,834,023	21,563,614
Assets held in trust by others	<u>719,977</u>	<u>675,979</u>
Total assets	<u>\$ 82,439,246</u>	<u>82,085,855</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

March 31, 2019 and December 31, 2018

Liabilities and Net Assets	March 31, 2019	December 31, 2018
Accounts payable	\$ 867,944	1,274,983
Accrued expenses	3,184,123	3,147,583
Accrued interest	7,859	7,620
Resident deposits	104,250	155,050
Entrance fee payable	661,584	664,199
Deferred revenue – entrance fees	11,218,954	10,742,801
Annuities payable	13,261	14,138
Obligations under financing leases	192,518	177,654
Long-term debt	18,807,354	19,115,354
Total liabilities	<u>35,057,846</u>	<u>35,299,382</u>
Net assets:		
Without donor restrictions	44,376,045	43,830,803
With donor restrictions	3,005,354	2,955,670
Total net assets	<u>47,381,399</u>	<u>46,786,473</u>
Total liabilities and net assets	<u>\$ 82,439,246</u>	<u>82,085,855</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Quarter ended March 31, 2019 and year ended December 31, 2018

	<u>March 31,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
Revenues and other support:		
Resident services		
Resident services	\$ 8,708,988	34,461,983
Amortization of entrance fees	364,333	1,645,030
Implicit price concession	<u>(80,646)</u>	<u>(385,962)</u>
Total resident services	8,992,675	35,721,051
Contributions, gifts and bequests	29,442	67,696
Net assets released from restrictions	<u>1,453</u>	<u>71,581</u>
Total revenues and other support	9,023,570	35,860,328
Cost of services provided		
Nursing services	2,651,569	10,387,161
Rehabilitation	985,503	3,637,368
Recreation and special services	210,517	801,569
Pharmacy	165,473	769,134
Social services	48,294	185,108
Physician services	36,276	148,352
Food services	967,752	3,850,098
Building operations and maintenance	789,975	2,937,767
Housekeeping	134,059	580,621
Laundry and linen	61,030	236,252
General and administrative	1,327,479	5,634,197
Employee benefits	544,399	1,778,267
Interest	161,874	524,279
Depreciation	646,679	2,434,160
Fundraising	<u>26,753</u>	<u>126,195</u>
Total cost of services provided	<u>8,757,632</u>	<u>34,030,528</u>
Excess of revenues and other support over expenses	265,938	1,829,800
Other income (expense)		
Investment income, net of investment expense	54,393	330,425
Realized loss on investments	(9,136)	(880,869)
Unrealized gain on investments	<u>234,048</u>	<u>13,340</u>
Total other income (expense)	<u>279,305</u>	<u>(537,104)</u>
Excess of revenue, gains and other support over expenses and losses	545,243	1,292,696

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Quarter ended March 31, 2019 and year ended December 31, 2018

	March 31, 2019	December 31, 2018
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	545,243	1,292,696
Change in net assets without donor restrictions	545,243	1,292,696
Net assets with donor restrictions		
Contributions, gifts and bequests	11,328	80,548
Investment income	91	90
Unrealized gain (loss) on investments	39,718	(48,505)
Net assets released from restrictions	(1,453)	(71,581)
Change in net assets with donor restrictions	49,683	(39,448)
Change in net assets	594,926	1,253,248
Net assets, beginning of year	46,786,473	45,533,225
Net assets, end of year	\$ 47,381,399	46,786,473

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Quarter ended March 31, 2019 and year ended December 31, 2018

	March 31, 2019	December 31, 2018
	<u> </u>	<u> </u>
Cash flows from operating activities:		
Change in net assets	\$ 594,926	1,253,248
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	646,679	2,434,160
Provision for bad debt	147,559	588,157
Proceeds from refundable entrance fees and deposits	801,701	3,087,184
Amortization of entrance fees	(364,333)	(1,645,030)
Unrealized (gain) loss on investments	(273,766)	35,165
Realized loss on investments	9,136	880,869
Amortization	515	3,198
Change in assets and liabilities:		
Accounts receivable	22,668	(459,167)
Entrance fee payable	(230,700)	321,750
Promises to give	0	(6,100)
Other assets	(138,387)	18,204
Other receivables	—	—
Accounts payable	(407,039)	231,443
Accrued expenses and deferred revenue other	36,780	(167,115)
Net cash provided by operating activities	<u>845,739</u>	<u>6,575,965</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(222,582)	(1,567,779)
Net (purchase of) proceeds from the sale of investments	<u>(45,538)</u>	<u>592,910</u>
Net cash used in investing activities	(268,119)	(974,870)
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(12,015)	(443,718)
Change in entrance fee payable	(2,615)	(119,397)
Principal payments on long-term debt	(308,581)	(974,619)
Decrease in annuities payable	(877)	(1,564)
Borrowings under finance leases	37,846	160,529
Repayments on finance lease obligations	(22,982)	(70,898)
Due from affiliated entity	<u>(270,409)</u>	<u>(4,141,249)</u>
Net cash used in financing activities	<u>(579,633)</u>	<u>(5,590,915)</u>
Net (decrease) increase in cash and cash equivalents	(2,014)	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>44,978</u></u>	<u><u>46,992</u></u>