

Presbyterian Homes in the Presbytery of Huntingdon

Consolidated Statements of Financial Position
March 31, 2022 and December 31, 2021

| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
|--------------------------------------|-----------------------|------------------------------|
| Assets | | |
| Cash and cash equivalents | \$ 45,886 | \$ 44,054 |
| Investments | 13,113,884 | 13,986,297 |
| Statutory liquid reserves | 1,075,038 | 1,075,038 |
| Accounts receivable, net | 2,104,705 | 2,160,644 |
| Assets whose use is limited | 2,250,375 | 2,250,375 |
| Property and equipment, net | 35,532,231 | 35,897,749 |
| Due from affiliates, net | 25,267,730 | 25,932,423 |
| Funds held in trust by others | 753,891 | 791,859 |
| Other assets | 690,213 | 577,823 |
| | <u>690,213</u> | <u>577,823</u> |
| Total assets | <u>\$ 80,833,953</u> | <u>\$ 82,716,262</u> |
| Liabilities and Net Assets | | |
| Accounts payable | \$ 1,004,318 | \$ 951,842 |
| Accrued expenses | 3,208,578 | 2,474,942 |
| Resident deposits | 160,080 | 106,490 |
| Entrance fees payable | 263,323 | 263,699 |
| Other liabilities | 307,143 | 316,337 |
| Cares act funding liabilities | 316,465 | 579,300 |
| Long-term debt | 15,754,625 | 15,919,965 |
| Deferred revenues from entrance fees | 10,152,856 | 10,527,133 |
| | <u>10,152,856</u> | <u>10,527,133</u> |
| Total liabilities | <u>31,167,388</u> | <u>31,139,708</u> |
| Net Assets | | |
| Without donor restriction | 46,473,329 | 48,354,063 |
| With donor restrictions | 3,193,236 | 3,222,491 |
| | <u>3,193,236</u> | <u>3,222,491</u> |
| Total net assets | <u>49,666,565</u> | <u>51,576,554</u> |
| Total liabilities and net assets | <u>\$ 80,833,953</u> | <u>\$ 82,716,262</u> |

Presbyterian Homes in the Presbytery of Huntington

Consolidated Statements of Operations and Changes in Net Assets

Period ended March 31, 2022 and year ended December 31, 2021

| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
|--|-----------------------|------------------------------|
| Net Assets Without Donor Restrictions | | |
| Revenues, gains and other support: | | |
| Resident services: | | |
| Resident services | \$ 6,944,568 | \$ 28,652,470 |
| Amortization of entrance fees | 403,922 | 1,650,966 |
| Total resident services | 7,348,490 | 30,303,436 |
| Contributions, gifts, grants and bequests | 7,982 | 178,300 |
| Other revenues | - | 74,940 |
| Government grants | - | 3,160,300 |
| Government stimulus | 1,022 | 1,377,190 |
| Net assets released from restrictions | 4,217 | 265,051 |
| Total operating revenues and other support | <u>7,361,711</u> | <u>35,359,217</u> |
| Expenses: | | |
| Nursing services | 2,628,741 | 10,306,969 |
| Rehabilitation | 562,574 | 3,358,314 |
| Recreation and special services | 130,453 | 637,567 |
| Pharmacy | 216,883 | 686,623 |
| Social services | 55,413 | 203,416 |
| Physician services | 37,477 | 149,157 |
| Food Services | 916,362 | 3,668,335 |
| Building operations and maintenance | 779,094 | 3,306,693 |
| Housekeeping | 119,609 | 508,923 |
| Laundry and linen | 55,174 | 252,405 |
| General and administrative | 1,388,497 | 5,778,276 |
| Employee benefits | 460,144 | 693,279 |
| Interest | 125,749 | 523,876 |
| Depreciation | 612,894 | 2,501,633 |
| Fundraising | 31,983 | 123,179 |
| Total expenses | <u>8,121,047</u> | <u>32,698,645</u> |
| Unusual non-recurring expenses - COVID-19 | <u>261,451</u> | <u>510,267</u> |
| Operating income (loss) before gains and losses | <u>(1,020,787)</u> | <u>2,150,305</u> |
| Loss on impairment of asset | <u>-</u> | <u>(2,350,230)</u> |
| Operating income (loss) | <u>(1,020,787)</u> | <u>(199,925)</u> |
| Other income (loss): | | |
| Investment income, net of investment expense | 33,204 | 380,147 |
| Realized (loss) gain on investments | (36) | 211,818 |
| Unrealized (loss) gain on investments | (893,115) | 1,663,835 |
| Loss on early extinguishment of debt | <u>-</u> | <u>(2,119)</u> |
| Total other income (loss) | <u>(859,947)</u> | <u>2,253,681</u> |
| Revenues (less than) in excess of expenses | <u>(1,880,734)</u> | <u>2,053,756</u> |
| (Decrease) increase in net assets without donor restrictions | <u>(1,880,734)</u> | <u>2,053,756</u> |

Presbyterian Homes in the Presbytery of Huntingdon

Consolidated Statements of Operations and Changes in Net Assets

Period ended March 31, 2022 and year ended December 31, 2021

| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
|---|-----------------------|------------------------------|
| Net Assets With Donor Restrictions | | |
| Contributions, gifts, grants and bequests | \$ 18,818 | \$ 66,240 |
| Investment income, net of investment expense | 264 | 259 |
| Unrealized (loss) gain on investments | (44,120) | 63,952 |
| Net assets released from restrictions | <u>(4,217)</u> | <u>(265,051)</u> |
| Decrease in net assets with donor restrictions | <u>(29,255)</u> | <u>(134,600)</u> |
| Change in net assets | (1,909,989) | 1,919,156 |
| Net Assets, Beginning | <u>51,576,554</u> | <u>49,657,398</u> |
| Net Assets, Ending | <u>\$ 49,666,565</u> | <u>\$ 51,576,554</u> |

Presbyterian Homes in the Presbytery of Huntingdon

Consolidated Statements of Cash Flows

Period ended March 31, 2022 and year ended December 31, 2021

| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
|---|-----------------------|------------------------------|
| Cash Flows From Operating Activities | | |
| (Decrease) increase in net assets | \$ (1,909,989) | \$ 1,919,156 |
| Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities: | | |
| Depreciation | 612,894 | 2,501,633 |
| Provision for doubtful collections | 94,680 | 533,199 |
| Proceeds from non-refundable entrance fees and deposits | 184,990 | 1,283,241 |
| Amortization of entrance fees | (403,922) | (1,650,966) |
| Loss on early extinguishment of debt | - | 2,119 |
| Unrealized loss (gain) on investments | 937,235 | (1,727,787) |
| Realized loss (gain) on investments | 36 | (211,818) |
| Loss on sale of property and equipment | - | 2,119 |
| Amortization of deferred financing costs | 1,160 | 3,701 |
| Loss on impairment of asset | - | 2,350,230 |
| Changes in assets and liabilities: | | |
| Accounts receivable | (38,741) | (643,731) |
| Entrance fees receivable | - | 90,750 |
| Other assets | (112,390) | 69,576 |
| Accounts payable | 52,476 | 50,381 |
| Accrued expenses | 733,636 | (1,372,013) |
| Other liabilities | (9,194) | (73,070) |
| Cares act funding liabilities | (262,835) | (3,835,178) |
| Net cash used in operating activities | <u>(119,965)</u> | <u>(708,458)</u> |
| Cash Flows From Investing Activities | | |
| Acquisition of property and equipment | (247,376) | (685,385) |
| Purchases of investments | (757,922) | (869,949) |
| Proceeds from sale of investments | 731,032 | 827,797 |
| Change in due from affiliates | 664,693 | 2,928,900 |
| Net cash provided by investing activities | <u>390,427</u> | <u>2,201,363</u> |
| Cash Flows From Financing Activities | | |
| Refunds of entrance fees and deposits | (102,131) | (367,201) |
| Principal payments on long-term debt | (166,500) | (894,802) |
| Proceeds from issuance of long-term debt | - | 4,167,100 |
| Refunding, refinancing or payoff of long-term debt | - | (4,327,271) |
| Financing costs incurred | - | (73,437) |
| Net cash used in financing activities | <u>(268,631)</u> | <u>(1,495,611)</u> |
| Net change in cash, cash equivalents and restricted cash | 1,832 | (2,706) |
| Cash, Cash Equivalents and Restricted Cash, Beginning | <u>44,054</u> | <u>46,760</u> |
| Cash, Cash Equivalents and Restricted Cash, Ending | | |
| Unrestricted | \$ 45,886 | \$ 44,054 |
| | <u>\$ 45,886</u> | <u>\$ 44,054</u> |