

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

May 31, 2020 and December 31, 2019

Assets	May 31, 2020	December 31, 2019
Cash and cash equivalents	\$ 48,191	45,243
Investments	9,481,282	9,876,685
Statutory liquid reserves	1,303,892	1,258,405
Accounts receivable, net	3,105,900	3,509,358
Prepaid expenses	308,869	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 \$42,721,738 and \$41,700,269, respectively)	38,922,875	39,808,637
Financing leases (net of accumulated depreciation of \$248,725 and \$189,911, respectively)	463,480	373,616
Assets under operating leases	9,522	11,143
Due from affiliated entites	30,109,589	24,408,920
Assets held in trust by others	751,467	775,594
Other assets	125,927	—
Total assets	\$ <u>89,225,522</u>	<u>84,917,676</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

May 31, 2020 and December 31, 2019

Liabilities and Net Assets	May 31, 2020	December 31, 2019
Accounts payable	\$ 609,115	968,324
Accrued expenses	3,633,131	3,555,937
Accrued interest	5,114	6,594
Resident deposits	181,300	137,500
Entrance fee payable	530,141	569,680
Deferred revenue – other	2,231,155	—
Deferred revenue – entrance fees	11,564,099	11,975,234
Annuities payable	13,512	13,995
Obligations under financing leases	474,027	381,081
Obligations under operating leases	9,522	11,143
Long-term debt	18,978,969	18,074,104
Total liabilities	38,230,085	35,693,592
Net assets:		
Without donor restrictions	47,901,609	46,117,490
With donor restrictions	3,093,828	3,106,594
Total net assets	50,995,437	49,224,084
Total liabilities and net assets	\$ 89,225,522	84,917,676

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

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

	May 31, 2020	December 31, 2019
Revenues and other support:		
Resident services		
Resident services	\$ 14,292,256	35,415,542
Amortization of entrance fees	696,391	1,798,614
Implicit price concession	(227,611)	(566,667)
Total resident services	14,761,035	36,647,489
Contributions, gifts and bequests	43,775	87,053
Government stimulus	490,475	—
Net assets released from restrictions	9,978	50,249
Total revenues and other support	15,305,262	36,784,791
Cost of services provided		
Nursing services	4,473,283	10,795,369
Rehabilitation	1,621,968	4,040,532
Recreation and special services	258,928	858,316
Pharmacy	298,400	678,827
Social services	80,100	197,455
Physician services	61,816	143,930
Food services	1,650,093	3,912,490
Building operations and maintenance	1,395,296	3,163,313
Housekeeping	241,554	567,053
Laundry and linen	98,501	241,869
General and administrative	2,624,202	5,392,058
Employee benefits	865,801	2,248,188
Interest	243,904	633,166
Depreciation	1,080,282	2,576,822
Fundraising	43,385	131,016
Total cost of services provided	15,037,513	35,580,404
Excess of revenues and other support over expenses	267,749	1,204,387
Other (expense) income:		
Investment income, net of investment expense	68,093	290,771
Realized (loss) gain on investments	(9,577)	141,130
Unrealized (loss) gain on investments	(394,622)	650,400
Total other (expense) income	(336,105)	1,082,301
(Deficit) excess of revenue, gains and other support over expenses and losses	(68,356)	2,286,688

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

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

	May 31, 2020	December 31, 2019
Net assets without donor restrictions:		
(Deficit) excess of revenue, gains and other support over expenses and losses	(68,356)	2,286,688
Loan forgiveness	<u>1,852,475</u>	<u>-</u>
Change in net assets without donor restrictions	1,784,119	2,286,688
Net assets with donor restrictions		
Contributions, gifts and bequests	21,843	109,752
Investment income, net of investment expense	373	362
Unrealized (loss) gain on investments	(25,004)	91,058
Net assets released from restrictions	<u>(9,978)</u>	<u>(50,249)</u>
Change in net assets with donor restrictions	(12,766)	150,923
Change in net assets	1,771,353	2,437,611
Net assets, beginning of year	<u>49,224,084</u>	<u>46,786,473</u>
Net assets, end of year	<u><u>\$ 50,995,437</u></u>	<u><u>49,224,084</u></u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

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

	May 31, 2020	December 31, 2019
Cash flows from operating activities:		
Change in net assets	\$ 1,771,353	2,437,611
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,080,282	2,576,822
Provision for implicit price concession and bad debt	407,270	626,795
Proceeds from refundable entrance fees and deposits	572,532	3,871,231
Amortization of entrance fees	(696,391)	(1,798,614)
Loan forgiveness	(1,852,475)	—
Unrealized loss (gain) on investments	419,626	(741,459)
Realized loss (gain) on investments	9,577	(141,130)
Amortization	858	2,058
Change in assets and liabilities:		
Accounts receivable	36,187	(108,330)
Entrance fee payable	(40,000)	114,750
Promises to give	(3,466)	5,073
Other assets	(49,356)	(91,964)
Accounts payable	(359,209)	(306,659)
Accrued expenses and deferred revenue other	2,306,869	407,328
Net cash provided by operating activities	3,477,730	6,853,513
Cash flows from investing activities:		
Acquisition of property and equipment	(284,772)	(1,539,953)
Net purchase of investments	(55,160)	(677,457)
Net cash used in investing activities	(339,932)	(2,217,411)
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(243,477)	(857,734)
Change in entrance fee payable	(39,539)	(94,519)
Principal payments on long-term debt	(403,928)	(1,043,575)
Proceeds on the issuance of unsecured debt	3,160,300	—
Decrease in annuities payable	(483)	(143)
Borrowings under finance leases	148,678	291,119
Repayments on finance lease obligations	(55,732)	(87,693)
Due from affiliated entity	(5,700,669)	(2,845,306)
Net cash used in financing activities	(3,134,851)	(4,637,850)
Net increase (decrease) in cash and cash equivalents	2,948	(1,748)
Cash and cash equivalents, beginning of year	45,243	46,992
Cash and cash equivalents, end of year	\$ 48,191	45,243