

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

November 30, 2020 and December 31, 2019

Assets	November 30, 2020	December 31, 2019
Cash and cash equivalents	\$ 46,488	45,243
Investments	10,932,139	9,876,685
Statutory liquid reserves	1,315,821	1,258,405
Accounts receivable, net	2,261,330	3,509,358
Prepaid expenses	263,809	259,402
Assets whose use is limited	2,239,416	2,239,416
Promises to give, net	10,293	1,027
Assets held for sale	2,350,618	2,350,230
Property and equipment (net of accumulated depreciation of \$43,927,002 and \$41,700,269, respectively)	37,839,896	39,808,637
Financing leases (net of accumulated depreciation of \$285,109 and \$189,911, respectively)	378,430	373,616
Assets under operating leases	7,536	11,143
Due from affiliated entities	29,014,288	24,408,920
Assets held in trust by others	826,625	775,594
Other assets	26,193	—
Total assets	<u>\$ 87,512,883</u>	<u>84,917,676</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

November 30, 2020 and December 31, 2019

Liabilities and Net Assets	November 30, 2020	December 31, 2019
Accounts payable	\$ 1,531,898	968,324
Accrued expenses	4,264,775	3,555,937
Accrued interest	4,023	6,594
Resident deposits	68,250	137,500
Entrance fee payable	489,828	569,680
Deferred revenue – other	215,241	—
Deferred revenue – entrance fees	11,363,746	11,975,234
Annuities payable	1,790	13,995
Obligations under financing leases	390,809	381,081
Obligations under operating leases	7,536	11,143
Long-term debt	<u>17,129,186</u>	<u>18,074,104</u>
Total liabilities	<u>35,467,084</u>	<u>35,693,592</u>
Net assets:		
Without donor restrictions	48,830,125	46,117,490
With donor restrictions	<u>3,215,674</u>	<u>3,106,594</u>
Total net assets	<u>52,045,799</u>	<u>49,224,084</u>
Total liabilities and net assets	<u>\$ 87,512,883</u>	<u>84,917,676</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Periods ended November 30, 2020 and year ended December 31, 2019

	<u>November 30,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Revenues and other support:		
Resident services		
Resident services	\$ 29,018,861	35,415,542
Amortization of entrance fees	1,529,621	1,798,614
Implicit price concession	<u>(548,877)</u>	<u>(566,667)</u>
Total resident services	29,999,605	36,647,489
Contributions, gifts and bequests	77,693	87,053
Government stimulus funding	2,558,765	-
Net assets released from restriction-Paycheck Protection grant	3,160,300	-
Net assets released from restrictions	<u>24,874</u>	<u>50,249</u>
Total revenues and other support	35,821,236	36,784,791
Cost of services provided		
Nursing services	9,679,083	10,795,369
Rehabilitation	3,395,993	4,040,532
Recreation and special services	539,428	858,316
Pharmacy	554,148	678,827
Social services	178,238	197,455
Physician services	135,883	143,930
Food services	3,593,464	3,912,490
Building operations and maintenance	2,943,110	3,163,313
Housekeeping	512,474	567,053
Laundry and linen	212,166	241,869
General and administrative	4,935,423	5,392,058
Employee benefits	2,051,342	2,248,188
Interest	512,521	633,166
Depreciation	2,347,422	2,576,822
Fundraising	<u>92,918</u>	<u>131,016</u>
Total cost of services provided	<u>31,683,613</u>	<u>35,580,404</u>
Excess of revenues and other support over expenses	4,137,624	1,204,387
Other (expense) income :		
Investment income, net of investment expense	164,854	290,771
Realized gain on investments	143,005	141,130
Unusual non-recurring expenses - COVID-19	(2,770,040)	-
Unrealized gain on investments	1,001,171	650,400
Gain on sale of property and equipment	<u>36,021</u>	<u>-</u>
Total other (expense) income	<u>(1,424,990)</u>	<u>1,082,301</u>
Excess of revenue, gains and other support over expenses and losses	2,712,634	2,286,688

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Periods ended November 30, 2020 and year ended December 31, 2019

	November 30, 2020	December 31, 2019
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	2,712,634	2,286,688
Change in net assets without donor restrictions	2,712,634	2,286,688
Net assets with donor restrictions		
Contributions, gifts and bequests	3,244,227	109,752
Investment income, net of investment expense	373	362
Unrealized gain on investments	49,655	91,058
Net assets released from restriction-Paycheck Protection grant	(3,160,300)	-
Net assets released from restrictions	(24,874)	(50,249)
Change in net assets with donor restrictions	109,081	150,923
Change in net assets	2,821,715	2,437,611
Net assets, beginning of year	49,224,084	46,786,473
Net assets, end of year	\$ 52,045,799	49,224,084

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Periods ended November 30, 2020 and year ended December 31, 2019

	November 30, 2020	December 31, 2019
	<hr/>	<hr/>
Cash flows from operating activities:		
Change in net assets	\$ 2,821,715	2,437,611
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,347,422	2,576,822
Provision for implicit price concession and bad debt	950,830	626,795
Proceeds from refundable entrance fees and deposits	1,222,953	3,871,231
Amortization of entrance fees	(1,529,621)	(1,798,614)
Unrealized gain on investments	(1,050,826)	(741,459)
Realized gain on investments	(143,005)	(141,130)
Realized gain on sale of assets	(36,021)	—
Amortization	1,887	2,058
Change in assets and liabilities:		
Accounts receivable	362,198	(108,330)
Entrance fee payable	(65,000)	114,750
Promises to give	(9,266)	5,073
Other assets	(4,162)	(91,964)
Other receivables	(26,193)	—
Accounts payable	563,574	(306,659)
Accrued expenses and deferred revenue other	921,509	407,328
Net cash provided by operating activities	<hr/> 6,327,993	<hr/> 6,853,513
Cash flows from investing activities:		
Acquisition of property and equipment	(347,863)	(1,539,953)
Net purchase of investments	29,929	(677,457)
Net cash used in investing activities	<hr/> (317,933)	<hr/> (2,217,411)
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(374,069)	(857,734)
Change in entrance fee payable	(79,852)	(94,519)
Principal payments on long-term debt	(947,049)	(1,043,575)
Change in annuities payable	(12,205)	(143)
Borrowings under finance leases	148,678	291,119
Repayments on finance lease obligations	(138,950)	(87,693)
Increase in due from affiliated entity	(4,605,368)	(2,845,306)
Net cash used in financing activities	<hr/> (6,008,814)	<hr/> (4,637,850)
Net increase (decrease) in cash and cash equivalents	1,245	(1,749)
Cash and cash equivalents, beginning of year	<hr/> 45,243	<hr/> 46,992
Cash and cash equivalents, end of year	<hr/> <hr/> \$ 46,488	<hr/> <hr/> 45,243