

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

September 30, 2019 and December 31, 2018

Assets	September 30, 2019	December 31, 2018
Cash and cash equivalents	\$ 38,838	46,992
Investments	9,370,894	7,701,512
Statutory liquid reserves	953,878	2,021,016
Accounts receivable, net	3,484,648	4,142,573
Prepaid expenses	334,128	167,171
Assets whose use is limited	2,191,546	2,191,546
Promises to give, net	920	6,100
Property and equipment (net of accumulated depreciation of \$41,075,298 and \$39,213,459, respectively)	42,468,864	43,396,843
Financing leases (net of accumulated depreciation of \$431,984 and \$368,821, respectively)	191,743	172,509
Assets under operating leases	3,881	4,861
Due from affiliated entites	23,949,992	21,563,614
Assets held in trust by others	743,646	675,979
Total assets	<u>\$ 83,732,976</u>	<u>82,090,716</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

September 30, 2019 and December 31, 2018

Liabilities and Net Assets	September 30, 2019	December 31, 2018
Accounts payable	\$ 1,147,207	1,274,983
Accrued expenses	3,151,376	3,147,583
Accrued interest	5,148	7,620
Resident deposits	105,125	155,050
Entrance fee payable	657,963	664,199
Deferred revenue – entrance fees	11,803,092	10,742,801
Annuities payable	13,315	14,138
Obligations under financing leases	197,916	177,654
Obligations under operating leases	3,881	4,861
Long-term debt	18,308,801	19,115,354
Total liabilities	35,393,823	35,304,243
Net assets:		
Without donor restrictions	45,320,352	43,830,803
With donor restrictions	3,018,801	2,955,670
Total net assets	48,339,153	46,786,473
Total liabilities and net assets	\$ 83,732,976	82,090,716

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Quarters ended September 30, 2019 and year ended December 31, 2018

	September 30, 2019	December 31, 2018
Revenues and other support:		
Resident services		
Resident services	\$ 26,460,985	34,461,983
Amortization of entrance fees	1,252,291	1,645,030
Implicit price concession	(443,092)	(610,962)
Total resident services	27,270,185	35,496,051
Contributions, gifts and bequests	108,463	67,696
Net assets released from restrictions	32,096	71,581
Total revenues and other support	27,410,744	35,635,328
Cost of services provided		
Nursing services	8,033,250	10,387,161
Rehabilitation	3,060,518	3,637,368
Recreation and special services	640,131	801,569
Pharmacy	537,031	769,134
Social services	147,589	185,108
Physician services	107,829	148,352
Food services	2,906,113	3,850,098
Building operations and maintenance	2,350,367	2,937,767
Housekeeping	420,039	580,621
Laundry and linen	178,269	236,252
General and administrative	3,948,198	5,409,197
Employee benefits	1,649,714	1,778,267
Interest	473,342	524,279
Depreciation	1,925,001	2,434,160
Fundraising	74,599	126,195
Total cost of services provided	26,451,989	33,805,528
Excess of revenues and other support over expenses	958,754	1,829,800
Other income (expense)		
Investment income, net of investment expense	161,320	330,425
Realized gain (loss) on investments	115,571	(880,869)
Unrealized gain on investments	253,904	13,340
Total other income (expense)	530,795	(537,104)
Excess of revenue, gains and other support over expenses and losses	1,489,549	1,292,696

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Quarters ended September 30, 2019 and year ended December 31, 2018

	September 30, 2019	December 31, 2018
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	<u>1,489,549</u>	<u>1,292,696</u>
Change in net assets without donor restrictions	1,489,549	1,292,696
Net assets with donor restrictions		
Contributions, gifts and bequests	35,613	80,548
Investment income	91	90
Unrealized gain (loss) on investments	59,523	(48,505)
Net assets released from restrictions	<u>(32,096)</u>	<u>(71,581)</u>
Change in net assets with donor restrictions	63,131	(39,448)
Change in net assets	1,552,680	1,253,248
Net assets, beginning of year	<u>46,786,473</u>	<u>45,533,225</u>
Net assets, end of year	<u><u>\$ 48,339,153</u></u>	<u><u>46,786,473</u></u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Quarters ended September 30, 2019 and year ended December 31, 2018

	September 30, 2019	December 31, 2018
Cash flows from operating activities:		
Change in net assets	\$ 1,552,680	1,253,248
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,925,001	2,434,160
Provision for bad debt	432,999	588,157
Proceeds from refundable entrance fees and deposits	2,877,973	3,087,184
Amortization of entrance fees	(1,252,291)	(1,645,030)
Unrealized (gain) loss on investments	(313,427)	35,165
Realized (gain) loss on investments	(115,571)	880,869
Amortization	1,544	3,198
Repayments on operating lease obligations	(980)	—
Change in assets and liabilities:		
Accounts receivable	249,677	(459,167)
Entrance fee payable	(24,750)	321,750
Promises to give	5,180	(6,100)
Other assets	(166,757)	18,204
Accounts payable	(127,776)	231,443
Accrued expenses and deferred revenue other	1,321	(167,115)
Net cash provided by operating activities	5,044,821	6,575,965
Cash flows from investing activities:		
Acquisition of property and equipment	(1,015,275)	(1,567,779)
Net (purchase of) proceeds from the sale of investments	(240,912)	592,910
Net cash used in investing activities	(1,256,187)	(974,870)
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(615,315)	(443,718)
Change in entrance fee payable	(6,236)	(119,397)
Principal payments on long-term debt	(808,296)	(974,619)
Decrease in annuities payable	(823)	(1,564)
Borrowings under finance leases	82,286	160,529
Repayments on finance lease obligations	(62,024)	(70,898)
Due from affiliated entity	(2,386,378)	(4,141,249)
Net cash used in financing activities	(3,796,788)	(5,590,915)
Net (decrease) increase in cash and cash equivalents	(8,154)	10,180
Cash and cash equivalents, beginning of year	46,992	36,811
Cash and cash equivalents, end of year	\$ 38,838	46,992