

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

September 30, 2020 and December 31, 2019

Assets	September 30, 2020	December 31, 2019
Cash and cash equivalents	\$ 46,310	45,243
Investments	10,335,942	9,876,685
Statutory liquid reserves	1,313,734	1,258,405
Accounts receivable, net	2,323,572	3,509,358
Prepaid expenses	334,557	259,402
Assets whose use is limited	2,239,416	2,239,416
Promises to give, net	14,493	1,027
Assets held for sale	2,350,618	2,350,230
Property and equipment (net of accumulated depreciation of \$43,527,070 and \$41,700,269, respectively)	38,279,734	39,808,637
Financing leases (net of accumulated depreciation of \$263,325 and \$189,911, respectively)	400,214	373,616
Assets under operating leases	8,204	11,143
Due from affiliated entites	29,782,248	24,408,920
Assets held in trust by others	787,565	775,594
Total assets	\$ <u>88,216,607</u>	<u>84,917,676</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Financial Position

September 30, 2020 and December 31, 2019

Liabilities and Net Assets	September 30, 2020	December 31, 2019
Accounts payable	\$ 2,045,912	968,324
Accrued expenses	3,799,738	3,555,937
Accrued interest	5,346	6,594
Resident deposits	76,000	137,500
Entrance fee payable	527,879	569,680
Deferred revenue – other	732,050	—
Deferred revenue – entrance fees	11,484,815	11,975,234
Annuities payable	1,878	13,995
Obligations under financing leases	411,834	381,081
Obligations under operating leases	8,204	11,143
Long-term debt	<u>17,300,834</u>	<u>18,074,104</u>
Total liabilities	<u>36,394,490</u>	<u>35,693,592</u>
Net assets:		
Without donor restrictions	48,645,503	46,117,490
With donor restrictions	<u>3,176,613</u>	<u>3,106,594</u>
Total net assets	<u>51,822,117</u>	<u>49,224,084</u>
Total liabilities and net assets	<u>\$ 88,216,607</u>	<u>84,917,676</u>

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Quarters ended September 30, 2020 and year ended December 31, 2019

	<u>September 30,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Revenues and other support:		
Resident services		
Resident services	\$ 24,288,478	35,415,542
Amortization of entrance fees	1,252,831	1,798,614
Implicit price concession	(448,741)	(566,667)
Total resident services	<u>25,092,569</u>	<u>36,647,489</u>
Contributions, gifts and bequests	54,796	87,053
Government stimulus funding	1,827,461	-
Net assets released from restriction-Paycheck Protection grant	3,160,300	-
Net assets released from restrictions	24,874	50,249
Total revenues and other support	<u>30,160,000</u>	<u>36,784,791</u>
Cost of services provided		
Nursing services	7,973,033	10,795,369
Rehabilitation	2,865,017	4,040,532
Recreation and special services	448,177	858,316
Pharmacy	485,307	678,827
Social services	143,047	197,455
Physician services	111,194	143,930
Food services	3,028,950	3,912,490
Building operations and maintenance	2,436,456	3,163,313
Housekeeping	431,305	567,053
Laundry and linen	171,256	241,869
General and administrative	4,023,777	5,392,058
Employee benefits	1,648,781	2,248,188
Interest	424,416	633,166
Depreciation	1,925,706	2,576,822
Fundraising	79,096	131,016
Total cost of services provided	<u>26,195,517</u>	<u>35,580,404</u>
Excess of revenues and other support over expenses	3,964,484	1,204,387
Other (expense) income :		
Investment income, net of investment expense	153,827	290,771
Realized gain on investments	40,081	141,130
Unusual non-recurring expenses - COVID-19	(1,982,970)	-
Unrealized gain on investments	351,679	650,400
Gain on sale of property and equipment	911	-
Total other (expense) income	<u>(1,436,472)</u>	<u>1,082,301</u>
Excess of revenue, gains and other support over expenses and losses	2,528,012	2,286,688

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Consolidated Statements of Operations and Changes in Net Assets

Quarters ended September 30, 2020 and year ended December 31, 2019

	September 30, 2020	December 31, 2019
Net assets without donor restrictions:		
Excess of revenue, gains and other support over expenses and losses	2,528,012	2,286,688
Change in net assets without donor restrictions	2,528,012	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	10,594	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	70,020	150,923
Change in net assets	2,598,033	2,437,611
Net assets, beginning of year	49,224,084	46,786,473
Net assets, end of year	\$ 51,822,117	49,224,084

PRESBYTERIAN HOMES IN THE PRESBYTERY OF HUNTINGDON

Statements of Cash Flows

Quarters ended September 30, 2020 and year ended December 31, 2019

	<u>September 30,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ 2,598,033	2,437,611
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,925,706	2,576,822
Provision for implicit price concession and bad debt	782,749	626,795
Proceeds from refundable entrance fees and deposits	960,652	3,871,231
Amortization of entrance fees	(1,252,831)	(1,798,614)
Unrealized gain on investments	(362,273)	(741,459)
Realized gain on investments	(40,081)	(141,130)
Amortization	1,544	2,058
Change in assets and liabilities:		
Accounts receivable	519,700	(108,330)
Entrance fee payable	(116,663)	114,750
Promises to give	(13,466)	5,073
Other assets	(74,955)	(91,964)
Accounts payable	1,077,588	(306,659)
Accrued expenses and deferred revenue other	974,602	407,328
Net cash provided by operating activities	<u>6,979,392</u>	<u>6,853,513</u>
Cash flows from investing activities:		
Acquisition of property and equipment	(422,878)	(1,539,953)
Net purchase of investments	<u>(124,202)</u>	<u>(677,457)</u>
Net cash used in investing activities	(547,079)	(2,217,411)
Cash flows for financing activities:		
Refunds of entrance fees and deposits	(259,739)	(857,734)
Change in entrance fee payable	(41,801)	(94,519)
Principal payments on long-term debt	(775,014)	(1,043,575)
Change in annuities payable	(12,117)	(143)
Borrowings under finance leases	148,678	291,119
Repayments on finance lease obligations	(117,925)	(87,693)
Increase in due from affiliated entity	<u>(5,373,328)</u>	<u>(2,845,306)</u>
Net cash used in financing activities	<u>(6,431,246)</u>	<u>(4,637,850)</u>
Net increase (decrease) in cash and cash equivalents	1,067	(1,749)
Cash and cash equivalents, beginning of year	<u>45,243</u>	<u>46,992</u>
Cash and cash equivalents, end of year	\$ <u><u>46,310</u></u>	<u><u>45,243</u></u>