

Presbyterian Homes in the Presbytery of Huntington

Statements of Financial Position

September 30, 2023 and December 31, 2022

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Assets		
Cash and cash equivalents	\$ 49,237	\$ 72,062
Investments	11,733,699	11,031,338
Statutory Liquid Reserve	1,072,545	1,072,545
Accounts receivable, net	2,603,452	2,369,434
Assets whose use is limited	5,380,066	2,306,319
Property and equipment, net	33,752,527	34,539,569
Due from affiliates, net	24,707,378	24,665,501
Funds held in trust by others	677,038	654,581
Other assets	799,050	526,421
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Total assets	<u>\$ 80,774,992</u>	<u>\$ 77,237,769</u>
Liabilities and Net Assets		
Accounts payable	\$ 760,993	\$ 859,373
Accrued expenses	2,727,264	2,635,274
Resident deposits	131,852	177,635
Entrance fee and deposit payable	263,323	263,323
Other liabilities	345,628	375,914
Cares act funding liabilities	9,174	-
Long-term debt, senior living	20,099,402	15,203,025
Deferred revenue from entrance fees	10,047,526	10,225,649
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Total liabilities	<u>34,385,163</u>	<u>29,740,193</u>
Net Assets		
Without donor restriction	42,951,801	44,328,196
With donor restriction	3,438,029	3,169,380
Total net assets (deficit)	<u>46,389,829</u>	<u>47,497,576</u>
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Total liabilities, net assets and equity	<u>\$ 80,774,992</u>	<u>\$ 77,237,769</u>

Presbyterian Homes in the Presbytery of Huntingdon

Statements of Operations and Changes in Net Assets

Period ended September 30, 2023 and year ended December 31, 2022

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 22,683,741	\$ 29,287,992
Amortization of entrance fees	1,365,471	1,471,839
Total resident services	<u>24,049,212</u>	<u>30,759,831</u>
Contributions, gifts, grants and bequests	53,783	96,508
Government stimulus	38,417	345,669
FEMA funding	-	724,650
Net assets released from restrictions	<u>34,116</u>	<u>96,353</u>
Total operating revenues and other support	<u>24,175,528</u>	<u>32,023,011</u>
Expenses:		
Nursing services	9,339,303	11,336,954
Rehabilitation	1,440,062	2,051,429
Recreation and special services	459,512	560,359
Pharmacy	546,029	782,530
Social Services	139,524	185,316
Physician Services	92,107	149,909
Dining Services	2,954,578	3,817,984
Building operations and maintenance	2,624,715	3,365,345
Housekeeping	441,533	513,686
Laundry	213,021	217,222
Management and general	4,265,803	5,658,751
Employee Benefits	1,428,417	1,733,612
Interest	466,924	526,993
Depreciation	1,789,737	2,444,694
Fundraising	<u>59,052</u>	<u>119,274</u>
Total expenses before non-recurring expenses	<u>26,260,315</u>	<u>33,464,059</u>
Non-recurring expenses, COVID-19	<u>5,826</u>	<u>378,181</u>
Operating income (loss) before gains and losses	(2,090,612)	(1,819,229)
Gain on sale and disposal of property	<u>-</u>	<u>232,986</u>
Operating income (loss)	<u>(2,090,612)</u>	<u>(1,586,244)</u>
Other income (loss):		
Investment income, net of investment expense	240,810	246,731
Realized gain on investments	-	618,791
Unrealized gain (loss) on investments	474,401	(3,470,789)
Loss on early extinguishment of debt	<u>(994)</u>	<u>-</u>
Total other income (loss)	<u>714,217</u>	<u>(2,605,267)</u>
Revenues less than expenses	(1,376,396)	(4,191,510)
Grant revenue - capital	<u>-</u>	<u>165,643</u>
Decrease in net assets without donor restrictions	<u>(1,376,396)</u>	<u>(4,025,867)</u>

Presbyterian Homes in the Presbytery of Huntingdon

Statements of Operations and Changes in Net Assets

Period ended September 30, 2023 and year ended December 31, 2022

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	280,037	186,342
Investment income, net of investment expense	271	330
Unrealized gain (loss) on investments	22,457	(143,431)
Net assets released from restrictions	<u>(34,116)</u>	<u>(96,353)</u>
Increase (decrease) in net assets with donor restrictions	<u>268,649</u>	<u>(53,111)</u>
Decrease in net assets	(1,107,747)	(4,078,978)
Net Assets, Beginning	<u>47,497,576</u>	<u>51,576,554</u>
Net Assets, Ending	<u>\$ 46,389,829</u>	<u>\$ 47,497,576</u>

Presbyterian Homes in the Presbytery of Huntingdon

Statements of Cash Flows

Period ended September 30, 2023 and year ended December 31, 2022

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Cash Flows From Operating Activities		
Decrease in net assets	\$ (1,107,747)	\$ (4,078,978)
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	1,789,737	2,444,694
Provision for doubtful collections	339,500	284,384
Proceeds from non-refundable fees and deposits	1,403,037	1,649,745
Amortization of entrance fees	(1,365,471)	(1,471,839)
Loss on early extinguishment of debt	994	-
Unrealized (gain) loss on investments and change in fair value of funds held in trust by others	(496,858)	3,614,220
Realized gain on investments	-	(618,791)
Loss on sale of community and disposals of property and equipment	-	(232,986)
Amortization of deferred financing costs	3,848	4,639
Amortization of bond discount	668	
Changes in assets and liabilities		
Accounts receivable	(473,470)	(493,174)
Entrance fee receivable	(100,048)	-
Other assets	(272,629)	51,402
Accounts payable	(98,381)	(92,469)
Accrued expenses	91,990	160,332
Other liabilities	(30,286)	59,577
CARES act funding liabilities	9,174	(579,300)
Net cash (used in) provided by operating activities	<u>(305,940)</u>	<u>701,456</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(1,002,695)	(1,086,513)
Proceeds from sale of property and equipment	-	232,986
Purchases of investments	(3,453,376)	(8,966,707)
Proceeds from sale of investments	151,668	9,020,960
Due from affiliates, net	(41,877)	1,266,922
Net cash (used in) provided by investing activities	<u>(4,346,280)</u>	<u>467,648</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(261,472)	(408,620)
Principal payments on redemptions of long-term debt	(551,985)	(721,579)
Proceeds from issuance of long-term debt	8,030,735	-
Early payoff of long-term debt	(2,296,023)	-
Financing costs paid	(291,860)	-
Net cash provided by (used in) financing activities	<u>4,629,395</u>	<u>(1,130,200)</u>
Net change in cash, cash equivalents and restricted cash	(22,825)	38,904
Cash, cash equivalents and restricted cash, beginning	<u>563,967</u>	<u>525,063</u>
Cash, cash equivalents and restricted cash, ending	<u>\$ 541,142</u>	<u>\$ 563,967</u>
Cash and cash equivalents	\$ 49,237	\$ 72,062
Restricted cash in investments	491,905	491,905
Total cash, cash equivalents and restricted cash	<u>\$ 541,142</u>	<u>\$ 563,967</u>