

## Presbyterian Homes Obligated Group

### Statements of Financial Position

November 30, 2025 and December 31, 2024

	November 30, 2025	December 31, 2024
<b>Assets</b>		
Cash and cash equivalents	\$ 3,905,469	\$ 10,578,204
Investments	161,401,184	138,141,276
Statutory Liquid Reserve	14,354,442	13,786,571
Accounts receivable, net	16,806,396	14,927,150
Assets whose use is limited	20,329,212	28,586,815
Property and equipment, net	466,903,575	467,080,558
Due from affiliates, net	86,564,117	83,168,709
Funds held in trust by others	21,406,383	19,953,487
Goodwill	23,333,496	26,234,673
Other assets	10,606,173	6,270,053
Total assets	<u>\$ 825,610,446</u>	<u>\$ 808,727,497</u>
<b>Liabilities and Net Assets</b>		
Accounts Payable	\$ 5,724,449	\$ 8,997,014
Accrued expenses	19,603,317	20,333,310
Lines of credit	6,647,259	6,306,477
Resident deposits	5,179,581	3,457,092
Entrance fees payable	14,696,420	12,586,800
Other liabilities	3,376,681	5,328,990
Long-term debt, senior living	333,575,554	341,297,959
Deferred revenue from entrance fees	174,627,266	166,589,346
Total liabilities	<u>563,430,527</u>	<u>564,896,989</u>
<b>Net Assets</b>		
Without donor restriction	230,903,467	214,304,793
With donor restriction	31,276,451	29,525,714
Total net assets	<u>262,179,919</u>	<u>243,830,508</u>
Total liabilities and net assets	<u>\$ 825,610,446</u>	<u>\$ 808,727,497</u>

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## Statements of Operations and Changes in Net Assets

Period ended November 30, 2025 and year ended December 31, 2024

	November 30, 2025	December 31, 2024
<b>Net Assets Without Donor Restrictions</b>		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 207,570,982	\$ 224,505,886
Amortization of entrance fees	23,505,121	21,874,608
Total resident services	231,076,103	246,380,494
Contributions, gifts, grants and bequests	557,248	1,654,571
Government stimulus	-	721,577
Net assets released from restrictions	1,130,177	515,541
Total operating revenues and other support	232,763,527	249,272,183
Expenses:		
Nursing services	62,975,078	70,290,259
Rehabilitation	9,040,176	9,992,857
Recreation and special services	4,293,948	4,520,390
Pharmacy	2,382,449	2,429,238
Social Services	954,714	1,003,338
Physician Services	329,674	365,104
Dining Services	26,343,421	28,057,276
Building operations and maintenance	33,179,205	33,932,112
Housekeeping	4,394,793	4,459,200
Laundry	1,171,264	1,398,386
Management and general	33,391,332	35,638,778
Employee Benefits	10,898,500	12,362,249
Interest	14,847,671	16,474,519
Depreciation	26,803,353	26,811,272
Amortization	2,901,177	3,293,375
Fundraising	546,623	560,098
Total expenses before non-recurring expenses	234,453,379	251,588,453
Operating loss before gains and losses	(1,689,852)	(2,316,270)
(Loss) gain on sale and disposal of property	(142,771)	426,830
Loss on impairment of asset	-	(102,723)
Operating loss	(1,832,623)	(1,992,163)
Other income:		
Investment income, net of investment expense	4,797,165	6,162,347
Realized (loss) gain on investments	(311,566)	1,034,003
Unrealized gain on investments	13,945,698	6,737,553
Total other income	18,431,297	13,933,902
Revenues in excess of expenses	16,598,674	11,941,739
Increase in net assets without donor restrictions	16,598,674	11,941,739

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## Statements of Operations and Changes in Net Assets

Period ended November 30, 2025 and year ended December 31, 2024

	November 30, 2025	December 31, 2024
<b>Net Assets With Donor Restrictions</b>		
Contributions, gifts, grants and bequests	807,429	913,463
Investment income, net of investment expense	100,224	70,449
Unrealized gain on investments	1,973,261	1,410,235
Net assets released from restrictions	<u>(1,130,177)</u>	<u>(515,541)</u>
Increase in net assets with donor restrictions	<u>1,750,737</u>	<u>1,878,605</u>
Increase in net assets	18,349,411	13,820,344
<b>Net Assets, Beginning</b>	<u>243,830,508</u>	<u>230,010,163</u>
<b>Net Assets, Ending</b>	<u><u>\$ 262,179,919</u></u>	<u><u>\$ 243,830,508</u></u>

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## Statements of Cash Flows

Period ended November 30, 2025 and year ended December 31, 2024

	November 30, 2025	December 31, 2024
<b>Cash Flows From Operating Activities</b>		
Increase in net assets	\$ 18,349,411	\$ 13,820,344
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	26,803,353	26,811,272
Provision for doubtful collections	1,044,765	1,717,937
Proceeds from non-refundable fees and deposits	39,286,234	36,694,775
Amortization of entrance fees	(23,505,121)	(21,874,608)
Unrealized gain on investments and change in fair value of funds held in trust by others	(15,918,959)	(8,147,787)
Realized loss (gain) on investments	311,566	(1,034,003)
Loss (gain) on sale of community and disposals of property and equipment	142,771	(426,830)
Contributions restricted for long-term purposes	(64,366)	(93,391)
Amortization of deferred financing costs	177,819	236,120
Amortization of bond premium	(366,578)	(457,028)
Amortization of bond discount	158,784	173,255
Amortization of goodwill	2,901,177	3,293,375
Loss on impairment of asset	-	102,723
Changes in assets and liabilities		
Accounts receivable	(1,922,498)	(577,759)
Entrance fee receivable	(1,001,512)	(833,361)
Other assets	(4,336,120)	(1,166,392)
Accounts payable	(3,272,565)	(2,199,867)
Accrued expenses	(729,993)	(282,557)
Other liabilities	(1,952,309)	1,315,133
Net cash provided by operating activities	36,105,859	47,071,352
<b>Cash Flows From Investing Activities</b>		
Acquisition of property and equipment	(26,769,141)	(35,101,456)
Proceeds from sale of property and equipment	-	5,600,000
Purchases of investments	(29,385,097)	(31,465,190)
Proceeds from sale of investments	27,969,418	29,052,366
Due from affiliates, net	(3,395,408)	2,938,870
Net cash used in investing activities	(31,580,227)	(28,975,410)
<b>Cash Flows From Financing Activities</b>		
Refunds of entrance fees and deposits	(4,583,985)	(6,063,266)
Proceeds from refundable entrance fees and deposits, resales	672,900	893,355
Proceeds from refundable entrance fees and deposits, new units	-	4,892,813
Principal payments on redemptions of long-term debt	(7,692,430)	(9,495,803)
Financing costs paid	-	(99,585)
Borrowings (repayments) on lines of credit	340,782	(10,443,523)
Contributions restricted for long-term purposes	64,366	93,391
Net cash used in financing activities	(11,198,367)	(20,222,618)
Net change in cash, cash equivalents and restricted cash	(6,672,736)	(2,126,676)
<b>Cash, cash equivalents and restricted cash, beginning</b>	62,023,333	64,150,009
<b>Cash, cash equivalents and restricted cash, ending</b>	<u>\$ 55,350,598</u>	<u>\$ 62,023,333</u>
Cash and cash equivalents	\$ 3,905,469	\$ 10,578,204
Restricted cash in investments	51,445,129	51,445,129
Total cash, cash equivalents and restricted cash	<u>\$ 55,350,598</u>	<u>\$ 62,023,333</u>