

CATHEDRAL VILLAGE

Statements of Financial Position

August 31, 2018 and December 31, 2017

Assets	August 31, 2018	December 31, 2017
Cash and cash equivalents	\$ 1,000	1,000
Investments	11,864,939	11,720,307
Statutory liquid reserve	3,204,201	3,079,043
Accounts receivable, net	1,851,813	2,154,718
Prepaid expenses	675,033	608,722
Assets whose use is limited	915,987	1,023,874
Pledges receivable	6,569	30,569
Property and equipment (net of accumulated depreciation of \$9,366,482 and \$7,172,134, respectively)	40,519,867	36,832,038
Assets under capital leases (net of accumulated depreciation of \$49,019 and \$38,699, respectively)	5,160	15,480
Due from affiliates	-	2,143
Assets held in trust by others	2,581,157	2,614,975
Goodwill	1,836,908	1,836,908
Total assets	\$ <u>63,462,633</u>	<u>59,919,777</u>

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Statements of Financial Position

August 31, 2018 and December 31, 2017

Liabilities and Net Assets	August 31, 2018	December 31, 2017
Accounts payable	\$ 80,478	659,258
Accrued expenses	1,354,781	2,622,039
Accrued interest	176,874	108,724
Resident deposits	707,975	537,425
Entrance fee payable	438,750	240,000
Deferred revenue – entrance fees	22,410,401	22,067,189
Deferred energy costs	1,098,913	1,140,481
Due to affiliated entities	4,847,232	-
Obligations under capital leases	6,707	20,057
Long-term debt	12,956,247	13,087,454
Total liabilities	44,078,357	40,482,627
Net assets:		
Without donor restriction	16,768,466	16,759,220
With donor restriction	2,615,809	2,677,930
Total net assets	19,384,275	19,437,150
Total liabilities and net assets	\$ 63,462,633	59,919,777

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Periods ended August 31, 2018 and year ended December 31, 2017

	August 31, 2018	December 31, 2017
Operating revenues, gains, and other support:		
Resident services, including amortization of entrance fees of \$2,448,099 and \$3,965,925, respectively	\$ 17,719,996	28,257,169
Interest and dividend income	243,475	459,207
Realized gain on investments	399,629	216,481
Gain on disposal of property and equipment	11,038	–
Contributions, gifts and bequests	13,970	46,300
Net assets released from restrictions	30,000	191,130
Total operating revenues, gains, and other support	18,418,107	29,170,287
Expenses:		
Nursing services	4,939,829	6,521,805
Rehabilitation	647,832	983,271
Recreation and special services	552,721	815,769
Pharmacy	189,295	513,565
Social services	88,029	174,074
Physician services	217,236	297,697
Food services	2,756,650	4,247,620
Building operations and maintenance	2,531,994	3,757,832
Housekeeping	439,366	751,401
Laundry and linen	70,835	87,485
General and administrative	2,694,550	4,580,525
Employee benefits	561,955	1,210,496
Interest	428,817	563,703
Depreciation	2,204,668	3,044,869
Fundraising and investment fees	70,373	122,612
Total expenses	18,394,148	27,672,724
Operating income	23,959	1,497,563
Other changes:		
Transfer from related party	136	–
Unrealized (loss) gain on investments	(14,848)	1,660,289
Total other changes	(14,712)	1,660,289
(Decrease) increase in net assets without donor restriction	9,247	3,157,852

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Periods ended August 31, 2018 and year ended December 31, 2017

	August 31, 2018	December 31, 2017
Net assets with donor restrictions:		
Contributions, gifts and bequests	\$ 1,698	60,102
Change in fair value	(33,819)	195,840
Net assets released from restrictions	<u>(30,000)</u>	<u>(191,130)</u>
Change in net assets with donor restrictions	(62,121)	64,812
 Change in net assets	 (52,875)	 3,222,664
 Net assets, beginning of year	 <u>19,437,150</u>	 <u>16,214,486</u>
Net assets, end of year	<u>\$ 19,384,275</u>	<u>19,437,150</u>

CATHEDRAL VILLAGE**Statements of Cash Flows**

Periods ended August 31, 2018 and year ended December 31, 2017

	August 31, 2018	December 31, 2017
Cash flows from operating activities:		
Change in net assets	\$ (52,875)	3,222,664
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,204,668	3,044,869
Bad debt write-offs	107,935	359,238
Proceeds from refundable entrance fees and deposits, net of refunds	3,235,161	5,397,367
Amortization of entrance fees	(2,448,099)	(3,965,925)
Unrealized loss (gain) on investments and assets held in trust by others	48,667	(1,856,129)
Realized gain on investments	(399,629)	(216,481)
Realized gain on property, plant and equipment	(11,038)	-
Amortization of deferred financing costs	5,335	8,002
Amortization of bond discount/premium	(8,110)	(3,406)
Deferred energy cost adjustment	(41,568)	(62,352)
Change in assets and liabilities:		
Accounts receivable	308,238	(296,412)
Entrance fee receivable	(113,267)	220,950
Pledges receivable	24,000	(27,449)
Other assets	(66,311)	30,685
Accounts payable	(578,780)	(606,823)
Accrued expenses and deferred revenue other	(1,199,108)	1,373,372
Net cash provided by operating activities	1,015,220	6,622,170
Cash flows used in investing activities:		
Acquisition of property and equipment	(5,871,139)	(6,852,024)
Net proceeds from sale of investments	222,877	(293,156)
Net cash used in investing activities	(5,648,262)	(7,145,180)
Cash flows from financing activities:		
Refunds of entrance fees and deposits	(273,300)	(180,711)
Change in entrance fee payable	198,750	-
Principal payments on long-term debt	(128,433)	(460,459)
Repayments on capital lease obligations	(13,350)	(21,961)
Change in due to/from affiliates	4,849,375	1,186,640
Net cash provided by financing activities	4,633,042	523,509
Net increase in cash and cash equivalents	-	499
Cash and cash equivalents, beginning of year	1,000	501
Cash and cash equivalents, end of year	\$ 1,000	1,000