

CATHEDRAL VILLAGE

Statements of Financial Position

December 31, 2018 and 2017

Assets	2018	2017
Cash and cash equivalents	\$ 1,000	1,000
Investments	10,586,187	11,720,307
Statutory liquid reserve	2,897,200	3,079,043
Accounts receivable, net	2,094,652	2,154,718
Prepaid expenses	615,995	608,722
Assets whose use is limited	1,043,650	1,023,874
Pledges receivable	8,569	30,569
Property and equipment (net of accumulated depreciation of \$10,600,003 and \$7,172,134, respectively)	41,957,247	36,832,038
Assets under capital leases (net of accumulated depreciation of \$54,179 and \$38,699, respectively)	-	15,480
Due from affiliates	5,972,880	2,061,854
Assets held in trust by others	2,314,888	2,614,975
Goodwill	<u>1,836,908</u>	<u>1,836,908</u>
Total assets	<u>\$ 69,329,176</u>	<u>61,979,488</u>

CATHEDRAL VILLAGE

Statements of Financial Position

December 31, 2018 and 2017

Liabilities and Net Assets	2018	2017
Accounts payable	\$ 1,151,844	659,258
Accrued expenses	1,770,251	2,622,039
Accrued interest	106,424	108,724
Resident deposits	521,550	537,425
Entrance fee payable	438,750	240,000
Deferred revenue – entrance fees	22,295,441	22,067,189
Deferred energy costs	1,078,129	1,140,481
Obligations under capital leases	1,347	20,057
Long-term debt	25,029,466	15,147,165
Total liabilities	52,393,203	42,542,338
Net assets:		
Without donor restriction	14,585,466	16,759,220
With donor restriction	2,350,507	2,677,930
Total net assets	16,935,973	19,437,150
Total liabilities and net assets	\$ 69,329,176	61,979,488

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Years ended December 31, 2018 and 2017

	2018	2017
Revenues and other support		
Resident services, including amortization of entrance fees of \$3,872,915 and \$3,965,925, respectively	\$ 26,651,668	28,257,169
Contributions, gifts and bequests	13,747	46,300
Net assets released from restrictions	36,071	191,130
	26,712,703	28,494,599
Total revenues and other support		
Cost of services provided		
Nursing services	7,383,715	6,521,805
Rehabilitation	862,706	983,271
Recreation and special services	839,634	815,769
Pharmacy	245,364	513,565
Social services	126,850	174,074
Physician services	332,503	297,697
Food services	4,162,988	4,247,620
Building operations and maintenance	3,718,783	3,757,832
Housekeeping	664,666	751,401
Laundry and linen	115,614	87,485
General and administrative	4,583,604	4,580,525
Employee benefits	839,179	1,210,496
Interest	659,817	563,703
Depreciation	3,443,349	3,044,869
Fundraising	88,790	122,612
	28,067,561	27,672,724
Total cost of services provided		
(Deficit) excess of revenues and other support over expenses	(1,354,858)	821,875
Other (expense) income		
Investment income, net of investment expense	426,951	459,207
Realized gain on investments	409,409	216,481
Unrealized (loss) gain on investments	(1,655,392)	1,660,289
Transfer from related party	136	-
	(818,896)	2,335,977
Total other (expense) income		
(Deficit) excess of revenue, gains and other support over expenses and losses	(2,173,754)	3,157,852

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Years ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Net assets without donor restrictions:		
(Deficit) excess of revenue, gains and other support over expenses and losses	\$ (2,173,754)	3,157,852
Change in net assets without donor restrictions	(2,173,754)	3,157,852
Net assets with donor restrictions:		
Contributions, gifts and bequests	\$ 8,736	60,102
Change in fair value	(300,087)	195,840
Net assets released from restrictions	(36,071)	(191,130)
Change in net assets with donor restrictions	(327,423)	64,812
Change in net assets	(2,501,177)	3,222,664
Net assets, beginning of year	<u>19,437,150</u>	<u>16,214,486</u>
Net assets, end of year	<u>\$ 16,935,973</u>	<u>19,437,150</u>

CATHEDRAL VILLAGE

Statements of Cash Flows

Years ended December 31, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ (2,501,177)	3,222,664
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,443,349	3,044,869
Bad debt write-offs	282,600	359,238
Proceeds from refundable entrance fees and deposits, net of refunds	4,548,769	5,397,367
Amortization of entrance fees	(3,872,915)	(3,965,925)
Unrealized loss (gain) on investments and assets held in trust by others	1,955,479	(1,856,129)
Realized gain on investments	(409,409)	(216,481)
Realized gain on property, plant and equipment	(11,217)	-
Amortization of deferred financing costs	8,002	8,002
Amortization of bond discount/premium	(17,030)	(3,406)
Deferred energy cost adjustment	(62,352)	(62,352)
Change in assets and liabilities:		
Accounts receivable	(297,459)	(296,412)
Entrance fee receivable	74,925	220,950
Pledges receivable	22,000	(27,449)
Other assets	(7,273)	30,685
Accounts payable	492,586	(606,823)
Accrued expenses and deferred revenue other	(854,088)	1,373,372
Net cash provided by operating activities	2,794,791	6,622,170
Cash flows used in investing activities:		
Acquisition of property and equipment	(8,541,861)	(6,852,024)
Purchases of investments	(3,356,169)	(1,197,222)
Proceeds from sale of investments	3,406,373	904,066
Net cash used in investing activities	(8,491,657)	(7,145,180)
Cash flows from financing activities:		
Refunds of entrance fees and deposits	(463,477)	(180,711)
Change in entrance fee payable	198,750	-
Principal payments on long-term debt	(308,671)	(460,459)
Proceeds on the issuance of bonds	10,200,000	2,059,711
Repayments on capital lease obligations	(18,710)	(21,961)
Change in due to/from affiliates	(3,911,026)	(873,071)
Net cash provided by financing activities	5,696,866	523,509
Net increase in cash and cash equivalents	(0)	499
Cash and cash equivalents, beginning of year	1,000	501
Cash and cash equivalents, end of year	\$ 1,000	1,000