

CATHEDRAL VILLAGE

Statements of Financial Position

July 31, 2019 and December 31, 2018

Assets	July 31, 2019	December 31, 2018
Cash and cash equivalents	\$ 1,000	1,000
Investments	12,002,912	10,586,187
Statutory liquid reserve	3,309,684	2,897,200
Accounts receivable, net	1,954,789	2,094,652
Prepaid expenses	692,123	615,995
Assets whose use is limited	927,131	1,043,649
Promises to give, net	10,039	8,569
Property and equipment (net of accumulated depreciation of \$12,748,026 and \$10,600,003, respectively)	42,518,881	41,957,247
Financing leases (net of accumulated depreciation of \$78,356 and \$54,179, respectively)	179,751	-
Assets under operating leases	-	1,195
Due from affiliates	6,554,599	5,972,879
Assets held in trust by others	2,536,517	2,314,889
Goodwill	1,836,908	1,836,908
Total assets	\$ <u>72,524,334</u>	<u>69,330,370</u>

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Statements of Financial Position

July 31, 2019 and December 31, 2018

Liabilities and Net Assets	July 31, 2019	December 31, 2018
Accounts payable	\$ 315,606	1,153,730
Accrued expenses	1,923,714	1,768,364
Accrued interest	138,383	106,424
Resident deposits	644,100	521,550
Entrance fee payable	361,075	438,750
Deferred revenue – entrance fees	24,403,516	22,295,441
Deferred energy costs	1,041,757	1,078,129
Obligations under financing leases	181,315	1,347
Obligations under operating leases	–	1,195
Long-term debt	24,508,688	25,029,467
Total liabilities	53,518,155	52,394,397
Net assets:		
Without donor restriction	16,360,117	14,585,465
With donor restriction	2,646,062	2,350,508
Total net assets	19,006,179	16,935,973
Total liabilities and net assets	\$ 72,524,334	69,330,370

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Months ended July 31, 2019 and year ended December 31, 2018

	July 31, 2019	December 31, 2018
Revenues and other support		
Resident services		
Resident services	\$ 14,527,117.99	22,778,753
Amortization of entrance fees	2,082,800	3,872,915
Implicit price concession	(115,479)	(223,054)
Total resident services revenue	16,494,439	26,428,614
Contributions, gifts and bequests	11,390	13,747
Net assets released from restrictions	500	127,010
Total revenues and other support	16,506,329	26,569,371
Cost of services provided		
Nursing services	4,145,817	7,383,715
Rehabilitation	599,713	862,706
Recreation and special services	433,039	839,634
Pharmacy	252,404	245,364
Social services	74,008	126,850
Physician services	202,772	332,503
Food services	2,574,687	4,162,988
Building operations and maintenance	2,317,477	3,718,783
Housekeeping	389,958	664,666
Laundry and linen	81,996	115,614
General and administrative	2,408,848	4,360,550
Employee benefits	613,034	839,179
Interest	400,157	659,817
Depreciation	2,172,200	3,443,349
Fundraising	38,694	88,790
Total cost of services provided	16,704,806	27,844,508
Deficit of revenues and other support over expenses	(198,477)	(1,275,137)
Other income (expense)		
Investment income, net of investment expense	222,200	426,951
Realized gain on investments	43,694	409,409
Unrealized gain (loss) on investments	1,702,914	(1,655,392)
Gain on disposal of property and equipment	4,320	11,217
Total other income (expense)	1,973,129	(807,815)
Excess (deficit) of revenue, gains and other support over expenses and losses	1,774,652	(2,082,952)

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Months ended July 31, 2019 and year ended December 31, 2018

	July 31, 2019	December 31, 2018
Net assets without donor restrictions:		
Excess (deficit) of revenue, gains and other support over expenses and losses	\$ 1,774,652	(2,082,952)
Transfer to affiliated entity	-	136
Change in net assets without donor restrictions	<u>1,774,652</u>	<u>(2,082,816)</u>
Net assets with donor restrictions:		
Contributions, gifts and bequests	\$ 74,126	8,736
Change in fair value	221,928	(300,087)
Net assets released from restrictions	(500)	(127,010)
Change in net assets with donor restrictions	<u>295,554</u>	<u>(418,361)</u>
Change in net assets	2,070,206	(2,501,177)
Net assets, beginning of year	<u>16,935,973</u>	<u>19,437,150</u>
Net assets, end of year	<u>\$ 19,006,179</u>	<u>16,935,973</u>

CATHEDRAL VILLAGE

Statements of Cash Flows

Months ended July 31, 2019 and year ended December 31, 2018

	July 31, 2019	December 31, 2018
Cash flows from operating activities:		
Change in net assets	\$ 2,070,206	(2,501,177)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,172,200	3,443,349
Bad debt write-offs	148,189	282,600
Proceeds from refundable entrance fees and deposits, net of refunds	4,391,813	4,548,769
Amortization of entrance fees	(2,082,800)	(3,872,915)
Unrealized (gain) loss on investments and assets held in trust by others	(1,924,843)	1,955,479
Realized gain on investments	(43,694)	(409,409)
Realized gain on sale of property, plant and equipment	(4,320)	(11,217)
Amortization of deferred financing costs	6,775	8,002
Amortization of bond discount/premium	(15,611)	(17,030)
Deferred energy cost adjustment	(36,372)	(62,352)
Repayments on operating leases	(1,195)	—
Change in assets and liabilities:		
Accounts receivable	(8,326)	(297,459)
Entrance fee receivable	-	74,925
Promises to give	(1,470)	22,000
Other assets	(76,127)	(7,273)
Accounts payable	(838,124)	492,586
Accrued expenses and deferred revenue other	187,309	(854,088)
Net cash provided by operating activities	3,943,610	2,794,791
Cash flows used in investing activities:		
Acquisition of property and equipment	(2,908,071)	(8,541,861)
Net proceeds from the sale of investments	34,217	50,204
Net cash used in investing activities	(2,873,854)	(8,491,657)
Cash flows from financing activities:		
Refunds of entrance fees and deposits	(78,388)	(463,477)
Change in entrance fee payable	(77,675)	198,750
Principal payments on long-term debt	(502,707)	(308,671)
Proceeds on the issuance of bonds	—	10,200,000
Financing costs incurred	(9,236)	—
Borrowings through finance leases	203,928	—
Repayments on finance lease obligations	(23,960)	(18,710)
Change in due to/from affiliates	(581,720)	(3,911,026)
Net cash (used in) provided by financing activities	(1,069,757)	5,696,866
Net change in cash and cash equivalents	0	(0)
Cash and cash equivalents, beginning of year	1,000	1,000
Cash and cash equivalents, end of year	\$ 1,000	1,000