

CATHEDRAL VILLAGE

Statements of Financial Position

June 30, 2020 and December 31, 2019

Assets	June 30, 2020	December 31, 2019
Cash and cash equivalents	\$ 1,000	1,000
Investments	12,373,466	12,708,174
Statutory liquid reserve	3,456,201	3,534,583
Accounts receivable, net	1,290,302	2,141,833
Prepaid expenses	710,377	605,003
Assets whose use is limited	931,701	1,054,846
Promises to give, net	28,321	8,881
Property and equipment (net of accumulated depreciation of \$16,404,195 and \$14,407,211, respectively)	48,933,603	47,331,594
Financing leases (net of accumulated depreciation of \$79,020 and \$46,994, respectively)	238,802	156,667
Assets under operating leases	7,596	9,564
Due from affiliates	3,892,606	4,614,444
Assets held in trust by others	2,409,777	2,593,088
Goodwill (net of accumulated amortization of \$423,902 and \$282,601, respectively)	<u>1,413,006</u>	<u>1,554,307</u>
Total assets	<u>\$ 75,686,758</u>	<u>76,313,984</u>

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Statements of Financial Position

June 30, 2020 and December 31, 2019

Liabilities and Net Assets	June 30, 2020	December 31, 2019
Accounts payable	\$ 1,237,394	2,487,192
Accrued expenses	2,632,715	2,701,099
Accrued interest	101,424	103,975
Resident deposits	1,005,350	568,750
Entrance fee payable	237,287	350,160
Deferred revenue – entrance fees	24,167,383	24,648,705
Deferred energy costs	984,601	1,015,777
Obligations under financing leases	242,875	159,442
Obligations under operating leases	7,596	9,564
Long-term debt	<u>23,819,559</u>	<u>24,393,130</u>
Total liabilities	54,436,184	56,437,794
Net assets:		
Without donor restriction	18,655,880	17,147,509
With donor restriction	<u>2,594,695</u>	<u>2,728,681</u>
Total net assets	<u>21,250,574</u>	<u>19,876,190</u>
Total liabilities and net assets	<u>\$ 75,686,758</u>	<u>76,313,984</u>

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Quarters ended June 30, 2020 and year ended December 31, 2019

	June 30, 2020	December 31, 2019
Revenues and other support		
Resident services		
Resident services	\$ 12,065,197.80	25,078,233
Amortization of entrance fees	2,053,834	4,123,948
Implicit price concession	(103,977)	(180,035)
Total resident services revenue	14,015,054	29,022,146
Contributions, gifts and bequests	(0)	3,371
Government stimulus	872,660	–
Net assets released from restrictions	53,107	2,689
Total revenues and other support	14,940,821	29,028,206
Cost of services provided		
Nursing services	3,549,918	7,128,767
Rehabilitation	512,537	1,081,607
Recreation and special services	310,472	774,944
Pharmacy	136,757	396,524
Social services	64,190	125,153
Physician services	170,246	345,177
Food services	2,181,600	4,511,808
Building operations and maintenance	2,120,746	4,083,329
Housekeeping	349,064	693,218
Laundry and linen	80,626	157,313
General and administrative	2,543,364	4,171,368
Employee benefits	515,704	1,145,499
Interest	297,869	675,821
Depreciation	2,029,011	3,854,202
Amortization	141,301	282,601
Fundraising	36,390	89,660
Total cost of services provided	15,039,794	29,516,991
Deficit of revenues and other support over expenses	(98,973)	(488,785)
Other (expense) income		
Investment income, net of investment expense	191,685	530,967
Realized gain on investments	2,519	1,063,955
Unrealized (loss) gain on investments	(532,661)	1,451,588
Gain on disposal of property and equipment	–	4,320
Total other (expense) income	(338,458)	3,050,830
(Deficit) excess of revenue, gains and other support over expenses and losses	(437,430)	2,562,045

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Quarters ended June 30, 2020 and year ended December 31, 2019

	June 30, 2020	December 31, 2019
Net assets without donor restrictions:		
(Deficit) excess of revenue, gains and other support over expenses and losses	\$ (437,430)	2,562,045
Loan forgiveness	1,945,800	—
Change in net assets without donor restrictions	1,508,370	2,562,045
Net assets with donor restrictions:		
Contributions, gifts and bequests	\$ 105,066	111,413
Change in fair value	(185,945)	269,448
Net assets released from restrictions	(53,107)	(2,689)
Change in net assets with donor restrictions	(133,986)	378,172
Change in net assets	1,374,384	2,940,217
Net assets, beginning of year	19,876,190	16,935,973
Net assets, end of year	\$ <u>21,250,574</u>	<u>19,876,190</u>

CATHEDRAL VILLAGE

Statements of Cash Flows

Quarters ended June 30, 2020 and year ended December 31, 2019

	June 30, 2020	December 31, 2019
Cash flows from operating activities:		
Change in net assets	\$ 1,374,384	2,940,217
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,029,011	3,854,202
Provision for implicit price concession and bad debt	211,056	240,736
Proceeds from refundable entrance fees and deposits, net of refunds	2,275,823	6,672,877
Amortization of entrance fees	(2,053,834)	(4,123,948)
Loan forgiveness	(1,945,800)	-
Unrealized loss (gain) on investments and assets held in trust by others	718,606	(1,721,038)
Realized gain on investments	(2,519)	(1,063,954)
Realized gain on sale of property, plant and equipment	-	(4,320)
Amortization of deferred financing costs	5,763	11,578
Amortization of bond discount/premium	(13,381)	(26,762)
Amortization of goodwill	141,301	282,601
Deferred energy cost adjustment	(31,176)	(62,352)
Change in assets and liabilities:		
Accounts receivable	423,075	(70,516)
Entrance fee receivable	217,400	(217,400)
Promises to give	(19,440)	(312)
Other assets	(105,373)	10,991
Accounts payable	(1,249,798)	1,333,463
Accrued expenses and deferred revenue other	(70,935)	930,285
Net cash provided by operating activities	1,904,163	8,986,349
Cash flows used in investing activities:		
Acquisition of property and equipment	(3,713,154)	(9,380,897)
Net sale (purchase) of investments	3,458	(263,775)
Net cash used in investing activities	(3,709,696)	(9,644,672)
Cash flows from financing activities:		
Refunds of entrance fees and deposits	(266,712)	(148,466)
Change in entrance fee payable	(112,873)	(88,590)
Principal payments on long-term debt	(565,953)	(611,916)
Proceeds on the issuance of unsecured debt	1,945,800	-
Financing costs incurred	-	(9,236)
Borrowings through finance leases	114,186	203,661
Repayments on finance lease obligations	(30,753)	(45,566)
Change in due to/from affiliates	721,838	1,358,435
Net cash provided by financing activities	1,805,533	658,322
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