

CATHEDRAL VILLAGE

Statements of Financial Position

September 30, 2018 and December 31, 2017

Assets	September 30, 2018	December 31, 2017
Cash and cash equivalents	\$ 1,000	1,000
Investments	11,780,744	11,720,307
Statutory liquid reserve	3,205,064	3,079,043
Accounts receivable, net	2,248,207	2,154,718
Prepaid expenses	677,338	608,722
Assets whose use is limited	1,087,596	1,023,874
Pledges receivable	6,569	30,569
Property and equipment (net of accumulated depreciation of \$9,672,744 and \$7,172,134, respectively)	40,793,227	36,832,038
Assets under capital leases (net of accumulated depreciation of \$50,309 and \$38,699, respectively)	3,870	15,480
Due from affiliates	-	2,143
Assets held in trust by others	2,570,402	2,614,975
Goodwill	<u>1,836,908</u>	<u>1,836,908</u>
Total assets	<u>\$ 64,210,925</u>	<u>59,919,777</u>

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September 30, 2018 and December 31, 2017

Liabilities and Net Assets	September 30, 2018	December 31, 2017
Accounts payable	\$ 322,123	659,258
Accrued expenses	1,463,772	2,622,039
Accrued interest	212,099	108,724
Resident deposits	580,975	537,425
Entrance fee payable	438,750	240,000
Deferred revenue – entrance fees	22,658,067	22,067,189
Deferred energy costs	1,093,717	1,140,481
Due to affiliated entities	5,143,853	-
Obligations under capital leases	5,371	20,057
Long-term debt	12,954,683	13,087,454
Total liabilities	44,873,411	40,482,627
Net assets:		
Without donor restriction	16,731,376	16,759,220
With donor restriction	2,606,139	2,677,930
Total net assets	19,337,514	19,437,150
Total liabilities and net assets	\$ 64,210,925	59,919,777

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Quarters ended September 30, 2018 and year ended December 31, 2017

	<u>September 30,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>
Operating revenues, gains, and other support:		
Resident services, including amortization of entrance fees of \$2,850,152 and \$3,965,925, respectively	\$ 19,939,551	28,257,169
Interest and dividend income	327,651	459,207
Realized gain on investments	410,672	216,481
Gain on disposal of property and equipment	11,038	-
Contributions, gifts and bequests	13,015	46,300
Net assets released from restrictions	30,000	191,130
	<u>20,731,926</u>	<u>29,170,287</u>
Total operating revenues, gains, and other support		
Expenses:		
Nursing services	5,541,029	6,521,805
Rehabilitation	688,986	983,271
Recreation and special services	618,341	815,769
Pharmacy	209,212	513,565
Social services	97,534	174,074
Physician services	245,724	297,697
Food services	3,078,681	4,247,620
Building operations and maintenance	2,807,534	3,757,832
Housekeeping	496,477	751,401
Laundry and linen	81,561	87,485
General and administrative	3,089,857	4,580,525
Employee benefits	629,056	1,210,496
Interest	484,684	563,703
Depreciation	2,512,220	3,044,869
Fundraising and investment fees	78,357	122,612
	<u>20,659,252</u>	<u>27,672,724</u>
Total expenses		
Operating income	72,674	1,497,563
Other changes:		
Transfer from related party	136	-
Unrealized (loss) gain on investments	(100,654)	1,660,289
	<u>(100,518)</u>	<u>1,660,289</u>
Total other changes		
(Decrease) increase in net assets without donor restriction	(27,845)	3,157,852

CATHEDRAL VILLAGE

Statements of Operations and Changes in Net Assets

Quarters ended September 30, 2018 and year ended December 31, 2017

	<u>September 30,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>
Net assets with donor restrictions:		
Contributions, gifts and bequests	\$ 2,782	60,102
Change in fair value	(44,573)	195,840
Net assets released from restrictions	<u>(30,000)</u>	<u>(191,130)</u>
Change in net assets with donor restrictions	(71,791)	64,812
Change in net assets	(99,636)	3,222,664
Net assets, beginning of year	<u>19,437,150</u>	<u>16,214,486</u>
Net assets, end of year	<u><u>\$ 19,337,514</u></u>	<u><u>19,437,150</u></u>

CATHEDRAL VILLAGE

Statements of Cash Flows

Quarters ended September 30, 2018 and year ended December 31, 2017

	September 30, 2018	December 31, 2017
Cash flows from operating activities:		
Change in net assets	\$ (99,636)	3,222,664
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,512,220	3,044,869
Bad debt write-offs	188,696	359,238
Proceeds from refundable entrance fees and deposits, net of refunds	3,948,057	5,397,367
Amortization of entrance fees	(2,850,152)	(3,965,925)
Unrealized loss (gain) on investments and assets held in trust by others	145,228	(1,856,129)
Realized gain on investments	(410,672)	(216,481)
Realized gain on property, plant and equipment	(11,038)	-
Amortization of deferred financing costs	6,002	8,002
Amortization of bond discount/premium	(10,340)	(3,406)
Deferred energy cost adjustment	(46,764)	(62,352)
Change in assets and liabilities:		
Accounts receivable	36,640	(296,412)
Entrance fee receivable	(318,825)	220,950
Pledges receivable	24,000	(27,449)
Other assets	(68,616)	30,685
Accounts payable	(337,135)	(606,823)
Accrued expenses and deferred revenue other	(1,054,892)	1,373,372
Net cash provided by operating activities	1,652,774	6,622,170
Cash flows used in investing activities:		
Acquisition of property and equipment	(6,450,762)	(6,852,024)
Net proceeds from sale of investments	59,837	(293,156)
Net cash used in investing activities	(6,390,925)	(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	(128,433)	(460,459)
Repayments on capital lease obligations	(14,686)	(21,961)
Change in due to/from affiliates	5,145,996	1,186,640
Net cash provided by financing activities	4,738,151	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