

QUINCY VILLAGE

Statements of Financial Position

March 31, 2018 and December 31, 2017

| Assets | March 31, 2018 | December 31, 2017 |
|--|---------------------------|------------------------------|
| Cash and cash equivalents | \$ 17,633 | 27,667 |
| Investments | 4,966,873 | 5,030,410 |
| Statutory liquid reserves | 890,811 | 890,554 |
| Accounts receivable, net | 2,497,437 | 2,768,336 |
| Prepaid and other current expenses | 400,234 | 477,052 |
| Assets whose use is limited | 258,511 | 258,511 |
| Pledges receivable | 12,200 | 13,200 |
| Property and equipment (net of accumulated depreciation of \$35,654,200 and \$35,312,460, respectively) | 22,830,608 | 22,910,416 |
| Assets under capital leases (net of accumulated depreciation of \$169,015 and \$138,485, respectively) | 94,821 | 50,033 |
| Due from affiliates | 5,807,750 | 5,144,378 |
| Funds held in trust by others | 6,090,095 | 6,196,107 |
| Other assets | — | 1,060 |
| Total assets | <u>\$ 43,866,975</u> | <u>43,767,724</u> |

QUINCY VILLAGE

Statements of Financial Position

March 31, 2018 and December 31, 2017

| Liabilities and Net Assets | March 31, 2018 | December 31, 2017 |
|-----------------------------------|---------------------------|------------------------------|
| Accounts payable | \$ 917,293 | 575,599 |
| Accrued expenses | 760,165 | 1,019,819 |
| Resident deposits | 69,000 | 81,125 |
| Entrance fee payable | 871,290 | 878,280 |
| Deferred revenue – entrance fees | 10,460,381 | 10,376,437 |
| Annuities payable | 29,069 | 30,512 |
| Obligations under capital leases | 93,754 | 48,948 |
| Long-term debt | 15,264,216 | 15,334,685 |
| Total liabilities | 28,465,168 | 28,345,405 |
| Net assets: | | |
| Without donor restrictions | 8,880,011 | 8,781,009 |
| With donor restrictions | 6,521,796 | 6,641,310 |
| Total net assets | 15,401,807 | 15,422,319 |
| Total liabilities and net assets | \$ 43,866,975 | 43,767,724 |

QUINCY VILLAGE

Statements of Operations and Changes in Net Assets

Quarter ended March 31, 2018 and year ended December 31, 2017

| | March 31, 2018 | December 31, 2017 |
|--|---------------------------|------------------------------|
| | | |
| Operating revenues, gains, and other support: | | |
| Resident services, including amortization of entrance fees of \$275,913 and \$1,295,409 | \$ 5,414,298 | 20,224,706 |
| Interest and dividend income | 123,708 | 427,530 |
| Realized gain on investments | 6,432 | 466,520 |
| Gain on disposal of property and equipment | – | 50 |
| Contributions, gifts and bequests | 12,604 | 19,254 |
| Net assets released from restrictions | 3,250 | 72,466 |
| | | |
| Total operating revenues, gains, and other support | 5,560,292 | 21,210,526 |
| Expenses: | | |
| Nursing services | 1,800,096 | 6,736,417 |
| Rehabilitation | 708,150 | 1,754,199 |
| Recreation and special services | 141,854 | 602,622 |
| Pharmacy | 94,499 | 402,805 |
| Social services | 15,796 | 96,411 |
| Physician services | 12,498 | 48,660 |
| Food services | 437,277 | 1,777,238 |
| Building operations and maintenance | 534,693 | 2,162,410 |
| Housekeeping | 87,805 | 379,332 |
| Laundry and linen | 32,722 | 191,505 |
| General and administrative | 796,224 | 3,283,393 |
| Employee benefits | 297,785 | 1,432,935 |
| Interest | 57,507 | 236,953 |
| Depreciation | 350,066 | 1,366,823 |
| Fundraising and investment fee | 10,942 | 67,705 |
| | | |
| Total expenses | 5,377,914 | 20,539,408 |
| Income from continuing operations | 182,378 | 671,118 |
| Other changes: | | |
| Unrealized loss on investments | (83,376) | (7,985) |
| | | |
| Total other changes | (83,376) | (7,985) |
| Increase in net assets without donor restrictions | 99,002 | 663,133 |

QUINCY VILLAGE

Statements of Operations and Changes in Net Assets

Quarter ended March 31, 2018 and year ended December 31, 2017

| | March 31, 2018 | December 31, 2017 |
|--|-----------------------------|------------------------------|
| | <u> </u> | <u> </u> |
| Net assets with donor restrictions: | | |
| Contributions, gifts and bequests | 4,856 | 112,685 |
| Interest and dividend income | 367 | 1,079 |
| Unrealized gain on investments | (121,487) | 601,737 |
| Net assets released from restrictions | <u>(3,250)</u> | <u>(72,466)</u> |
| Change in net assets with donor restrictions | (119,514) | 643,035 |
| Change in net assets | (20,512) | 1,306,168 |
| Net assets, beginning of year | <u>15,422,319</u> | <u>14,116,151</u> |
| Net assets, end of year | <u><u>\$ 15,401,807</u></u> | <u><u>15,422,319</u></u> |

QUINCY VILLAGE

Statements of Cash Flows

Quarter ended March 31, 2018 and year ended December 31, 2017

| | March 31, 2018 | December 31, 2017 |
|--|---------------------------|------------------------------|
| Cash flows from operating activities: | | |
| Change in net assets | \$ (20,512) | 1,306,168 |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities: | | |
| Depreciation | 350,066 | 1,366,823 |
| Provision for bad debts | 83,256 | 276,700 |
| Proceeds from entrance fees and deposits | 410,293 | 1,856,624 |
| Amortization of entrance fees | (275,913) | (1,295,409) |
| Unrealized loss (gain) on investments | 204,863 | (593,752) |
| Realized gain on investments | (6,432) | (466,520) |
| Gain on disposal of property and equipment | — | (50) |
| Contributions restricted for long-term purposes | — | (208) |
| Amortization of deferred financing costs | 626 | 2,505 |
| Change in assets and liabilities: | | |
| Accounts receivable | 123,893 | (631,824) |
| Entrance fee receivable | 63,750 | (75,750) |
| Pledges receivable | 1,000 | 4,800 |
| Other assets | 77,878 | (19,601) |
| Accounts payable | 341,694 | (1,924,421) |
| Accrued expenses and deferred revenue other | (259,654) | (417,760) |
| Net cash provided by (used in) operating activities | 1,094,808 | (611,674) |
| Cash flows from investing activities: | | |
| Acquisition of property and equipment | (315,046) | (1,830,468) |
| Net proceeds from sale of investments | (29,140) | 2,701,928 |
| Net cash (used in) provided by investing activities | (344,186) | 871,460 |
| Cash flows from financing activities: | | |
| Refunds of entrance fees and deposits | (62,561) | (182,671) |
| Change in entrance fee payable | (6,990) | (93,080) |
| Principal payments on long-term debt | (71,095) | (257,489) |
| Borrowings through capital leases | 53,115 | 33,601 |
| Repayments on capital lease obligations | (8,309) | (24,598) |
| Contributions restricted for long-term purposes | — | 208 |
| Change in annuities payable | (1,443) | (2,851) |
| Net change in due to/from affiliate | (663,372) | 252,668 |
| Net cash used in financing activities | (760,656) | (274,213) |
| Net decrease in cash and cash equivalents | (10,034) | (14,427) |
| Cash and cash equivalents, beginning of year | 27,667 | 42,094 |
| Cash and cash equivalents, end of year | \$ 17,633 | 27,667 |