

LANCER EDUCATIONAL HOUSING LLC
FINANCIAL STATEMENTS
NINE MONTHS ENDED MARCH 31, 2024



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**LANCER EDUCATIONAL HOUSING LLC
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NINE MONTHS ENDED MARCH 31, 2024**

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ACCOUNTANTS' COMPILATION REPORT

Member(s)
Lancer Educational Housing LLC
Riverside, California

Management is responsible for the accompanying financial statements of Lancer Educational Housing LLC (a California limited liability company), which comprise the statement of financial position as of March 31, 2024, and the related statements of activities and cash flows for the nine months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about Lancer Educational Housing LLC's financial position, activities, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Glendora, California
May 14, 2024

LANCER EDUCATIONAL HOUSING LLC
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 42,269,027
Accounts Receivable - Related Party	<u>58,722</u>
Total Current Assets	<u>42,327,749</u>

LONG-TERM ASSETS

Restricted Cash and Cash Equivalents	10,440,084
Property, Plant, and Equipment (Net of Depreciation)	<u>138,082,886</u>
Total Long-Term Assets	<u>148,522,970</u>

Total Assets	<u><u>\$ 190,850,719</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accrued Liabilities - Related Party	\$ 15,938,876
Accrued Liabilities	2,368,967
Bonds Payable - Current Portion	<u>3,157,681</u>
Total Current Liabilities	<u>21,465,524</u>

LONG-TERM LIABILITIES

Bonds Payable - Net of Current Portion	<u>144,981,888</u>
Total Long-Term Liabilities	<u>144,981,888</u>

Total Liabilities	166,447,412
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NET ASSETS

Without Donor Restrictions	<u>24,403,307</u>
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Total Liabilities and Net Assets	<u><u>\$ 190,850,719</u></u>
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LANCER EDUCATIONAL HOUSING LLC
STATEMENT OF ACTIVITIES
NINE MONTHS ENDED MARCH 31, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

	<u>Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
REVENUES, WITHOUT DONOR RESTRICTION			
Student Housing Fees	\$ 19,341,112	\$ 19,637,456	\$ 22,402,500
Lease Income - Related Party	1,415,792	1,415,792	2,123,687
Interest Income	<u>756,414</u>	<u>133,875</u>	<u>178,500</u>
Total Revenues	21,513,318	21,187,123	24,704,687
EXPENSES			
Program Activities:			
Contracted Services - Student Work Wages	690,350	1,189,442	1,255,671
Contracted Services - Other	1,670,539	1,707,185	2,490,413
Repair and Maintenance*	2,709,347	1,586,953	2,786,910
Depreciation	4,252,851	4,345,805	5,794,407
Utilities	1,644,262	1,874,224	2,511,815
Interest Expense/Debt Service	5,249,415	5,459,178	7,278,900
Management Fee - Related Party	<u>759,578</u>	<u>918,435</u>	<u>1,069,940</u>
Total Program Activities	16,976,342	17,081,222	23,188,056
Management and General:			
Insurance Expense	670,297	388,064	622,150
Other Operating Expense	61,600	32,785	75,310
Management Fee - Related Party	<u>174,483</u>	<u>28,961</u>	<u>33,739</u>
Total Management and General	906,380	449,810	731,199
Total Expenses	<u>17,882,722</u>	<u>17,531,032</u>	<u>23,919,255</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION	3,630,596	<u>\$ 3,656,091</u>	<u>\$ 785,432</u>
Beginning - Net Assts Without Donor Restriction	<u>20,772,711</u>		
ENDING - NET ASSETS WITHOUT DONOR RESTRICTION	<u>\$ 24,403,307</u>		

* Repair and Maintenance line item in budget column includes
Repair and Replacement reserve funding of \$978,778.

LANCER EDUCATIONAL HOUSING LLC
STATEMENT OF CASH FLOWS
NINE MONTHS ENDED MARCH 31, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets Without Donor Restriction	\$ 3,630,596
Adjustments to Reconcile Change in Net Assets Without	
Donor Restriction to Net Cash Provided by Operating Activities:	
Depreciation	4,252,851
Cost of Issuance Amortization	126,293
Bond Discount Amortization	(207,053)
Change in Operating Assets:	
Accounts Receivable - Related Party	1,213,733
Change in Operating Liabilities:	
Accrued Liabilities - Related Party	8,908,654
Accrued Liabilities	1,776,725
Deferred Revenue	(196,677)
Net Cash Provided by Operating Activities	<u>19,505,122</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Property, Plant, and Equipment	<u>(10,702)</u>
Net Cash Used by Investing Activities	<u>(10,702)</u>

NET CHANGE IN CASH AND CASH EQUIVALENTS

19,494,420

Cash and Cash Equivalents - Beginning of Period

33,214,691

CASH AND CASH EQUIVALENTS - END OF PERIOD

\$ 52,709,111

SUPPLEMENTAL CASH FLOW DISCLOSURES

Cash Paid for Interest	<u><u>\$ 3,553,450</u></u>
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RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents	\$ 42,269,027
Restricted Cash	<u>10,440,084</u>
Total Cash and Cash Equivalents	<u><u>\$ 52,709,111</u></u>



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