

LANCER EDUCATIONAL HOUSING LLC
FINANCIAL STATEMENTS
THREE MONTHS ENDED SEPTEMBER 30, 2024



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**LANCER EDUCATIONAL HOUSING LLC
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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 September 30, 2024, and the related statements of activities and cash flows for the three 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
November 14, 2024

LANCER EDUCATIONAL HOUSING LLC
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 25,621,015
Accounts Receivable - Related Party	7,200,906
Total Current Assets	<u>32,821,921</u>

LONG-TERM ASSETS

Restricted Cash and Cash Equivalents	10,440,084
Property, Plant, and Equipment (Net of Depreciation)	138,055,193
Total Long-Term Assets	<u>148,495,277</u>

Total Assets	<u><u>\$ 181,317,198</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accrued Liabilities - Related Party	\$ 16,094,766
Accrued Liabilities	2,330,300
Bonds Payable - Current Portion	3,357,270
Total Current Liabilities	<u>21,782,336</u>

LONG-TERM LIABILITIES

Bonds Payable - Net of Current Portion	141,754,684
Total Long-Term Liabilities	<u>141,754,684</u>

Total Liabilities	163,537,020
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NET ASSETS

Without Donor Restrictions	<u>17,780,178</u>
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Total Liabilities and Net Assets	<u><u>\$ 181,317,198</u></u>
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LANCER EDUCATIONAL HOUSING LLC
STATEMENT OF ACTIVITIES
THREE MONTHS ENDED SEPTEMBER 30, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

	<u>Actual</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
REVENUES, WITHOUT DONOR RESTRICTION			
Student Housing Fees	\$ 3,239,774	\$ 3,152,451	\$ 23,290,185
Lease Income - Related Party	736,654	736,654	2,209,962
Interest Income	311,811	125,000	500,000
Total Revenues	<u>4,288,239</u>	<u>4,014,105</u>	<u>26,000,147</u>
EXPENSES			
Program Activities:			
Contracted Services - Compensation & Benefits	531,571	626,334	2,064,496
Contracted Services - Other	853,117	817,344	2,393,720
Repair and Maintenance*	1,329,466	892,405	2,285,093
Depreciation	1,488,093	1,483,079	5,932,317
Utilities	503,241	542,764	2,499,100
Interest Expense/Debt Service	1,720,727	1,789,725	7,158,900
Management Fee - Related Party	287,108	281,913	1,848,452
Total Program Activities	<u>6,713,323</u>	<u>6,433,564</u>	<u>24,182,078</u>
Management and General:			
Insurance Expense	841,395	503,000	654,000
Other Operating Expense	61,737	60,862	119,980
Management Fee - Related Party	11,124	9,770	64,059
Total Management and General	<u>914,256</u>	<u>573,632</u>	<u>838,039</u>
Total Expenses	<u>7,627,579</u>	<u>7,007,196</u>	<u>25,020,117</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION	(3,339,340)	<u>\$ (2,993,091)</u>	<u>\$ 980,030</u>
Beginning - Net Assts Without Donor Restriction	<u>21,119,518</u>		
ENDING - NET ASSETS WITHOUT DONOR RESTRICTION	<u>\$ 17,780,178</u>		

* Repair and Maintenance line item in budget column includes
Repair and Replacement reserve funding of \$1,008,144

LANCER EDUCATIONAL HOUSING LLC
STATEMENT OF CASH FLOWS
THREE MONTHS ENDED SEPTEMBER 30, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets Without Donor Restriction	\$ (3,339,340)
Adjustments to Reconcile Change in Net Assets Without Donor Restriction to Net Cash Provided by Operating Activities:	
Depreciation	1,488,093
Cost of Issuance Amortization	41,635
Bond Discount Amortization	(68,633)
Change in Operating Assets:	
Accounts Receivable - Related Party	(3,774,529)
Change in Operating Liabilities:	
Accrued Liabilities - Related Party	4,779,394
Accrued Liabilities	1,747,725
Deferred Revenue	(201,898)
Net Cash Provided by Operating Activities	<u>672,447</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Property, Plant, and Equipment	<u>(360,633)</u>
Net Cash Used by Investing Activities	<u>(360,633)</u>

NET CHANGE IN CASH AND CASH EQUIVALENTS

311,814

Cash and Cash Equivalents - Beginning of Period

35,749,285

CASH AND CASH EQUIVALENTS - END OF PERIOD

\$ 36,061,099

SUPPLEMENTAL CASH FLOW DISCLOSURES

Cash Paid for Interest	<u><u>\$ -</u></u>
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RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents	\$ 25,621,015
Restricted Cash	<u>10,440,084</u>
Total Cash and Cash Equivalents	<u><u>\$ 36,061,099</u></u>

