

**LANCER EDUCATIONAL HOUSING CORPORATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**NINE MONTHS ENDED MARCH 31, 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**LANCER EDUCATIONAL HOUSING CORPORATION**  
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## ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Lancer Educational Housing Corporation  
Riverside, California

Management is responsible for the accompanying consolidated financial statements of Lancer Educational Housing Corporation (a California nonprofit corporation), which comprise the consolidated statement of financial position as of March 31, 2024, and the related consolidated 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 consolidated 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 consolidated financial statements, they might influence the user's conclusions about Lancer Educational Housing Corporation's financial position, activities, and cash flows. Accordingly, the consolidated 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 CORPORATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2024**  
(SEE ACCOUNTANTS' COMPILATION REPORT)

**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents	\$ 44,088,084
Accounts Receivable - Related Party	<u>1,328,381</u>
Total Current Assets	45,416,465

**LONG-TERM ASSETS**

Restricted Cash and Cash Equivalents	12,724,153
Deposit	250,000
Property, Plant, and Equipment (Net of Depreciation)	<u>159,533,973</u>
Total Long-Term Assets	<u>172,508,126</u>

Total Assets	<u><u>\$ 217,924,591</u></u>
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accrued Liabilities - Related Party	\$ 16,832,249
Accrued Liabilities	3,023,988
Deferred Revenue	199,856
Security Deposit	9,528
Bonds Payable - Current Portion	<u>3,856,271</u>
Total Current Liabilities	23,921,892

**LONG-TERM LIABILITIES**

Bonds Payable - Net of Current Portion	<u>170,267,328</u>
Total Long-Term Liabilities	<u>170,267,328</u>

Total Liabilities	194,189,220
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**NET ASSETS**

Without Donor Restrictions	<u>23,735,371</u>
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Total Liabilities and Net Assets	<u><u>\$ 217,924,591</u></u>
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**LANCER EDUCATIONAL HOUSING CORPORATION**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**NINE MONTHS ENDED MARCH 31, 2024**  
(SEE ACCOUNTANTS' COMPILATION REPORT)

**REVENUES, WITHOUT DONOR RESTRICTION**

Student Housing Fees	\$ 19,341,112
Lease Income - Related Party	3,214,496
Interest Income	919,095
Total Revenues	<u>23,474,703</u>

**EXPENSES**

Program Activities:	
Contracted Services - Student Work Wages	690,350
Contracted Services - Other	1,670,539
Repair and Maintenance	2,709,347
Depreciation	4,806,036
Utilities	1,644,262
Interest Expense	6,448,099
Management Fee - Related Party	759,578
Total Program Activities	<u>18,728,211</u>

Management and General:

Insurance Expense	670,297
Other Operating Expense	61,600
Management Fee - Related Party	174,483
Total Management and General	<u>906,380</u>

Total Expenses	<u>19,634,591</u>
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**CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION**

3,840,112

Beginning - Net Assets Without Donor Restriction	<u>19,895,259</u>
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**ENDING - NET ASSETS WITHOUT DONOR RESTRICTION**

\$ 23,735,371

**LANCER EDUCATIONAL HOUSING CORPORATION**  
**CONSOLIDATED 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	\$ 3,840,112
Adjustments to Reconcile Change in Net Assets Without Donor Restriction to Net Cash Provided by Operating Activities:	
Depreciation	4,806,036
Cost of Issuance Amortization	161,101
Bond Discount Amortization	(207,053)
Change in Operating Assets:	
Accounts Receivable - Related Party	(55,926)
Change in Operating Liabilities:	
Accrued Liabilities - Related Party	8,893,491
Accrued Liabilities	2,169,738
Deferred Revenue	(196,677)
Net Cash Provided by Operating Activities	<u>19,410,822</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

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

**CASH FLOWS FROM FINANCING ACTIVITIES**

Payments on Bonds Payable	<u>(710,000)</u>
Net Cash Used by Financing Activities	<u>(710,000)</u>

**NET CHANGE IN CASH AND CASH EQUIVALENTS**

18,690,120

Cash and Cash Equivalents - Beginning of Period

38,122,117

**CASH AND CASH EQUIVALENTS - END OF PERIOD**

\$ 56,812,237

**SUPPLEMENTAL CASH FLOW DISCLOSURES**

Cash Paid for Interest	<u><u>\$ 4,339,475</u></u>
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**RECONCILIATION OF CASH AND CASH EQUIVALENTS**

Cash and Cash Equivalents	\$ 44,088,084
Restricted Cash	<u>12,724,153</u>
Total Cash and Cash Equivalents	<u><u>\$ 56,812,237</u></u>

