

**LANCER EDUCATIONAL HOUSING CORPORATION**

**Compiled Consolidated Financial Statements**

**For the Year Ended June 30, 2024**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**LANCER EDUCATIONAL HOUSING CORPORATION**

**CONSOLIDATED FINANCIAL STATEMENTS  
For the Year Ended June 30, 2024**

**CONTENTS**

	<b><u>Page</u></b>
<b>FINANCIAL STATEMENTS:</b>	
Accountants' Compilation Report .....	1
Consolidated Statement of Financial Position .....	2
Consolidated Statement of Activities .....	3
Consolidated Statement of Cash Flows .....	4



## 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 June 30, 2024, and the related consolidated statements of activities and cash flows for the year 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 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  
August 12, 2024

**LANCER EDUCATIONAL HOUSING CORPORATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**June 30, 2024**

**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents	\$ 27,006,626
Accounts Receivable - Related Party	<u>3,426,377</u>
Total Current Assets	30,433,003

**LONG-TERM ASSETS**

Cash Restricted for Bond Debt Service Reserves	12,724,153
Deposit	250,000
Property, Plant, and Equipment (Net of Depreciation)	<u>160,489,873</u>
Total Long-Term Assets	<u>173,464,026</u>

Total Assets	<u><u>\$ 203,897,029</u></u>
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accrued Liabilities - Related Party	\$ 10,749,493
Accrued Liabilities	1,086,852
Deferred Revenue	401,754
Security Deposit	9,528
Bonds Payable - Current Portion	<u>4,056,880</u>
Total Current Liabilities	16,304,507

**LONG-TERM LIABILITIES**

Bonds Payable - Net of Current Portion	<u>167,078,724</u>
Total Long-Term Liabilities	<u>167,078,724</u>

Total Liabilities	183,383,231
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**NET ASSETS**

Net Assets Without Donor Restriction	<u>20,513,798</u>
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Total Liabilities and Net Assets	<u><u>\$ 203,897,029</u></u>
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*See Accountants' Compilation Report.*

**LANCER EDUCATIONAL HOUSING CORPORATION**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2024

**OPERATING REVENUES, WITHOUT DONOR RESTRICTION**

Student Housing Fees	\$ 22,153,436
Lease Income - Related Party	4,521,959
Interest Income	1,252,022
Other Income	6,065
Total Revenues	<u>27,933,482</u>

**OPERATING EXPENSES**

Program Activities:	
Student Work Wages	766,791
Contracted Services - Other	2,329,147
Repair and Maintenance	2,060,975
Depreciation Expense	6,692,079
Utilities	2,184,973
Interest Expense	8,676,810
Management Fee - Related Party	1,595,981
Total Program Activities	<u>24,306,756</u>

Management and General:	
Insurance Expense	698,243
Other Operating Expense	90,022
Management Fee - Related Party	219,922
Total Management and General	<u>1,008,187</u>

Total Operating Expenses	<u>25,314,943</u>
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<b>CHANGE IN OPERATING NET ASSETS WITHOUT DONOR RESTRICTION</b>	2,618,539
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**NONOPERATING ACTIVITIES**

Contributions	<u>(2,000,000)</u>
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<b>CHANGE IN NONOPERATING NET ASSETS WITHOUT DONOR RESTRICTION</b>	<u>(2,000,000)</u>
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<b>CHANGE IN TOTAL NET ASSETS WITHOUT DONOR RESTRICTION</b>	618,539
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Net Assets Without Donor Restriction - Beginning of Year	<u>19,895,259</u>
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<b>NET ASSETS WITHOUT DONOR RESTRICTION - END OF YEAR</b>	<u><u>\$ 20,513,798</u></u>
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*See Accountants' Compilation Report.*

**LANCER EDUCATIONAL HOUSING CORPORATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended June 30, 2024**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets Without Donor Restriction	\$ 618,539
Adjustments to Reconcile Change in Net Assets Without Donor Restriction to Net Cash Flows Provided by Operating Activities:	
Depreciation	6,692,079
Cost of Issuance Amortization	217,884
Bond Discount Amortization	(201,831)
Change in Operating Assets:	
Accounts Receivable	(3,380,927)
Change in Operating Liabilities:	
Accrued Liabilities - Related Party	4,037,740
Accrued Liabilities	232,602
Deferred Revenue	5,221
Net Cash Flows Provided by Operating Activities	<u>8,221,307</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases of Property, Plant, and Equipment	<u>(2,852,645)</u>
Net Cash Flows Used by Investing Activities	<u>(2,852,645)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Payments on Bonds Payable	<u>(3,760,000)</u>
Net Cash Flows Used by Financing Activities	<u>(3,760,000)</u>

**NET CHANGE IN CASH AND CASH EQUIVALENTS**

1,608,662

Cash and Cash Equivalents - Beginning of Year

38,122,117

**CASH AND CASH EQUIVALENTS - END OF YEAR**

\$ 39,730,779

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

Cash Paid for Interest, Net of Capitalized Interest	<u><u>\$ 9,073,877</u></u>
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**RECONCILIATION OF CASH AND CASH EQUIVALENTS**

Cash and Cash Equivalents	\$ 27,006,626
Restricted Cash	<u>12,724,153</u>
Total Cash and Cash Equivalents	<u><u>\$ 39,730,779</u></u>

*See Accountants' Compilation Report.*



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